

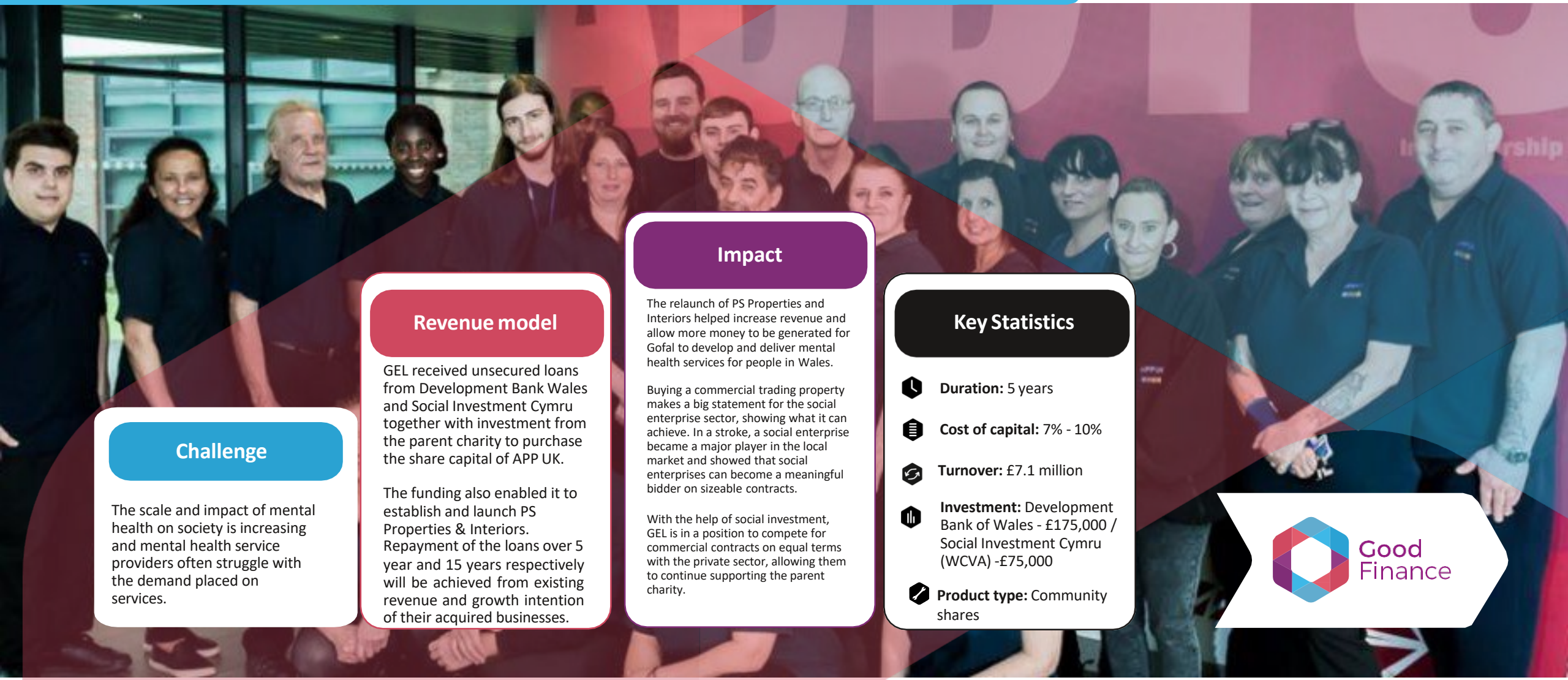


Gofal

<http://www.gofal.org.uk/>



Buddsoddiad
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Social
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Challenge

The scale and impact of mental health on society is increasing and mental health service providers often struggle with the demand placed on services.

Revenue model

GEL received unsecured loans from Development Bank Wales and Social Investment Cymru together with investment from the parent charity to purchase the share capital of APP UK.

The funding also enabled it to establish and launch PS Properties & Interiors. Repayment of the loans over 5 year and 15 years respectively will be achieved from existing revenue and growth intention of their acquired businesses.

Impact

The relaunch of PS Properties and Interiors helped increase revenue and allow more money to be generated for Gofal to develop and deliver mental health services for people in Wales.

Buying a commercial trading property makes a big statement for the social enterprise sector, showing what it can achieve. In a stroke, a social enterprise became a major player in the local market and showed that social enterprises can become a meaningful bidder on sizeable contracts.

With the help of social investment, GEL is in a position to compete for commercial contracts on equal terms with the private sector, allowing them to continue supporting the parent charity.

Key Statistics

- Duration:** 5 years
- Cost of capital:** 7% - 10%
- Turnover:** £7.1 million
- Investment:** Development Bank of Wales - £175,000 / Social Investment Cymru (WCVA) -£75,000
- Product type:** Community shares



Good
Finance