

# NEW PHILANTHROPY CAPITAL

England & Wales · Charity number 1091450

## Details

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Other names	NPC
Status	Registered
Legal form	Charitable company
Company number	<a href="#">04244715</a>
Registered	2002-03-27
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	New Philanthropy Capital Unit 3 Floor 2 93 Great Suffolk Street London
Phone	02076204896
Email	<a href="mailto:info@thinknpc.org">info@thinknpc.org</a>
Website	<a href="http://www.thinknpc.org">www.thinknpc.org</a>

## Activities

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**Objects:** 1) TO IMPROVE THE EFFICIENCY AND EFFECTIVE USE OF RESOURCES FOR CHARITABLE PURPOSES BY EVALUATING THE GOVERNANCE OF PARTICULAR CHARITIES OR A RANGE OF CHARITIES AND THE IMPACT OF THEIR ACTIVITIES2) TO ADVANCE ALL EXCLUSIVELY CHARITABLE PURPOSES UNDER ENGLISH LAW

**Activities:** NPC provides independent research and advice for charities and funders, to help them achieve greater impact. We offer this advice based on in-depth research of social issues and on our unique method of analysing charities. We encourage debate about what makes a charity effective, and build knowledge and tools to support charities and funders in their efforts to increase their own effectiveness.

## Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

## Geography

- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£3,246,884	£2,970,975	£1,153,753	40
2024-06-30	£3,149,874	£3,487,016	£877,844	44
2023-06-30	£3,484,250	£3,861,463	£1,214,986	45
2022-06-30	£3,593,418	£3,012,738	£1,592,199	42
2021-06-30	£3,374,961	£2,895,193	£1,011,519	44

## Trustees

Name	Role	Appointed
<b>VAUGHAN EMERSON LINDSAY</b>	Chair	2018-10-18
Alexander Edward Millhouse Jarman		2026-01-02
Delroy Corinaldi		2020-03-11
Emily Sarah Wheeler		2022-08-03
Fiona Jennie Rawes		2021-06-09
Julian Rama May		2024-09-10
Juliet Agnew		2026-06-03
<b>LUCY MANUELA DE GROOT</b>		2017-12-13
Meera Craston		2022-12-01
<b>PRINCE ALBERT TUCKER</b>		2021-06-09
Patricia Keiko Hamzahee OBE FRSA		2026-03-11
<b>SIR HARVEY ANDREW MCGRATH</b>		

**NEW PHILANTHROPY CAPITAL**

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# Accounts

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# New Philanthropy Capital

## Annual Report 2024-2025

December 2025

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# Welcome from our Chair

This year our focus has been twofold: to deepen our work with organisations creating impact today, and to build the foundations for a stronger, more visible “impact economy” that can take on the UK’s most urgent social and environmental challenges.

Following the 2024 General Election, we worked with government and civil society partners to design a mission-driven partnership between the state and the social sector. Our proposals include a Whitehall “front door” for engagement, improved interchange between sectors, and a civil society satellite account to capture the sector’s economic contribution. These may sound technical, but they are essential to ensuring civil society’s role is visible and supported within national decision-making.

Under the leadership of our new CEO Jonathan Simmons, we embarked on our Growing the Impact Economy initiative which aims to tell a unified story of the impact economy showing the value of the social impact in the UK.

In May we merged with The Beacon Collaborative. Beacon has been a driving force for philanthropy, encouraging more people to give and to give better. This merger embodies what New Philanthropy Capital stands for: breaking down silos, collaborating and building bridges across the systems that shape impact.

Similar themes emerged from our annual conference NPC Ignites 2024 and it is this collaborative spirit that has guided our partnerships this year, from frontline charities to large funders and policymakers. From Everyone’s Environment to Young People’s Mental Health, our Programmes for Change continue to demonstrate what collaboration can achieve. Each programme reflects our belief that evidence and inclusion are key to lasting impact.

Thank you to Jonathan for bringing such energy and vision to New Philanthropy Capital throughout his first year with us. He is well supported by my fellow trustees and a team of dedicated and expert staff. I want to thank them and all of our funders and partners for their support this year.

**Vaughan Lindsay, Chair**

# Welcome from our Chief Executive

The publishing of this annual report coincides with my first year as CEO of New Philanthropy Capital. What a year! I am so proud to pick up the baton of an organisation that has done so much to further the impact and effectiveness conversation in the UK. It is an exciting time for the UK's impact economy.

Whether through philanthropy, investment, social lending, or business; we know increasing numbers of people want to use their money to address many of the challenges our society faces. [Our report in partnership with Barclays, The Modern Philanthropist](#), identified a doubling of the median Ultra High Net Worth gift over the last five years.

The Impact Economy as a phrase may be new to some, but it is a concept gathering momentum with wealth holders, government, academia and civil society, because it represents the collective effort to achieve positive impact and social outcomes. In the same way New Philanthropy Capital helped normalise the measurement of impact, we are determined that we're going to help shape and tell the story of the impact economy so, we can strengthen and grow it.

Growth must be paired with effectiveness, and as you will see in this report, New Philanthropy Capital continues to focus on helping organisations to measure and evaluate their impact through advising on strategy, evaluation or systems change. In the last 12 months we were commissioned by 84 organisations, work that we then shared with hundreds through case studies and free workshops, as part of our commitment to strengthening our community.

This year also saw us merge with The Beacon Collaborative – a charity that supports, promotes, and celebrates philanthropy. Beacon has an unparalleled track record in convening, policy and advocacy around high net worth philanthropy, which when mixed with New Philanthropy Capital's consulting, influencing, embedding excellence, partnership and communication, creates a stronger platform with a louder voice. Together, we will host the Beacon Forum in early 2026, which we hope will be the largest gathering of the Impact Economy to date, creating a platform for leaders to explore the actions needed to maximise the potential for all forms of impact-led finance.

Next year? We intend to work with many more organisations, create more free resources, convene thousands and shout louder. Why? Because we believe there is a vibrant impact economy in the UK, which we can help be stronger, but could also we believe could be bigger.

Our convening power is just one of New Philanthropy Capital’s key strengths. Our long history, our expertise and our independence means we offer highly effective services in impact evaluation, systems change and learning partnerships.

This year we want to build on our success and will be exploring carefully new areas where we can have the most impact and offer our clients even more solutions that drive results.

Thank you to everyone who has worked with us this year—our trustees, partners, clients, and funders. Your collaboration and trust make our work and our impact possible.

**Jonathan Simmons**

Chief Executive, New Philanthropy Capital

# 1. Our Objectives and Activities

## Our objectives

New Philanthropy Capital's mission is to **strengthen and grow the impact economy**.

We are a think tank and consultancy with purpose. We believe in the power of a growing impact economy to deliver the systems change we need to achieve lasting, positive impact in our communities.

### Strengthening the impact economy

For over 20 years we have played a crucial role at the heart of the impact economy and we work to strengthen it through:

**Convening and influencing:** We introduce people and their ideas, creating connections and building new networks. Through our research and publications, we challenge and inspire while also offering our platform to amplify unheard voices.

**Consulting:** We recognise the power of consultancy to build deep relationships and drive change. We provide independent research and advice. Our combination of expert researchers, tools and frameworks, and policy influence make us uniquely well-placed to move organisations towards their goals.

**Programmes for change:** We identify key projects and build powerful networks to grow the impact sector. We collaborate with partners in developing and testing new ways to maximise social impact.

**Sharing our learning:** We share our work through our publications, events, policy-work, and consulting as a way to embed more evidence-led impactful practice throughout the impact sector.

## Growing the impact economy

The UK's impact economy, which brings together charities, philanthropy, social investment, social enterprises, and purpose-led business, is active and innovative, yet fragmented and largely invisible in national statistics. Parts of the ecosystem are valued—for example impact investing at £78 billion, social enterprise at £77 billion, and charities at £98 billion—but there is no shared definition or whole-economy view. The lack of recognition limits advocacy, policy attention, and the flow of capital.

At New Philanthropy Capital, we focus on this because:

- Better evidence will strengthen the case for investment and help leaders make decisions
- Policymakers need a clear picture to design effective incentives and partnerships
- Charities, funders, and social enterprises need credible numbers to explain their role and a present a case for growth
- A clearer public narrative will show how the impact economy contributes to society and the economy.

Our Mapping the Impact Economy project is a strategic intervention to build that evidence base and story. We are assembling existing data and creating a coherent narrative that positions the impact economy as a driver of UK prosperity and social progress. We'll publish a full report in early 2026. This work will raise the sector's profile, help organisations locate themselves within a credible market, and encourage different types of capital to work together. Our strength is combining rigorous analysis with practical tools and accessible communication. By bringing these together, we aim to give the impact economy a shared identity, a trusted measure of scale, and a clearer route to growth.

Growing the impact economy is a core objective for New Philanthropy Capital because it can unlock resources, inform better policy, and increase the impact that money has where it is most needed.

## Our values

In everything we do we strive to be clear, committed, passionate, bold, open, and imaginative. We bring the following values to our work:

- We value honesty and integrity, even when it's hard.
- We care about evidence.
- We innovate and learn.
- We're committed to inclusion, equity, and diversity, in all its forms.
- We work with others.

[Find out more about our values on our website.](#)

## 2. Our achievements and performance

This section presents some of our highlights from 2024-2025. The sub-headings in this section reflect our revised organisation structure, following a review during the year. Cross-references to our previous structure are shown in brackets where appropriate for ease of reference.

### Convening and influencing

As a convenor and influencer, we create new connections and bring partners together to solve practical problems. We encourage fresh thinking and use our platforms to amplify unheard voices.

#### NPC Events: July 2024 - June 2025



##### Attendees

Number of event attendees over the past year **1333**

##### 60 Bursary places

Awarded to small charities and ethnic minority charities and representatives

Our events were viewed on YouTube **77,200 times**

##### Sign-ups

Total number of sign-ups to our events **2171**

**'Simple and effective tools explained well and made accessible.'**

#### Survey feedback

**81%** Rated our events as excellent or good



**'An engaging and inspiring session, allowing us to think as a whole, embrace the complexities of systems change with actionable insights and tools.'**

**78%** Would use what they had learnt at one of our events



## NPC Ignites 2024



More than 250 delegates attended our annual flagship conference NPC Ignites, hearing from 33 speakers.

Together we examined what it really means to pursue systemic change. Contributors argued that genuine progress begins with understanding how political and economic incentives shape outcomes and how power circulates through institutions and communities.

The sessions made the case for long-term trusting resourcing that supports people to participate – without “trotting them out” to relieve their trauma whenever it suits an organisation. Better to empower them to go further.

Speakers emphasised patient, cumulative action, learning and the courage to advocate. The day equipped leaders with a clearer theory of change and a renewed commitment to collective effort that rejects siloed, ego-led ways of working.



*Interventions typically have a theory of what they hope to achieve through what they're doing; without that theory, people in the sector are just doing things with no idea of how they're helping.*

*Danny Sriskandarajah, CEO, New Economics Foundation 2024*



## **Merger with The Beacon Collaborative**

In May we merged with The Beacon Collaborative, consolidating our combined activities to increase the amount and effectiveness of philanthropy in the UK. The merger followed the completion of Beacon's initial five-year programme to catalyse growth in philanthropy in the UK in partnership with leading sector bodies. Coming together under the NPC brand, together we will continue to focus on growing, promoting and celebrating philanthropy in the context of the UK's expanding impact economy.

This partnership is already shaping the Beacon Forum planned for early 2026. By bringing networks and evidence together, the merger accelerates our shared ambition to give the impact economy a stronger public identity and a louder, more co-ordinated voice.

## **Working with Government**

After the General Election we moved quickly to position civil society as a practical partner to government.

Later in the year we followed up with [How can civil society play a part in 'mission-driven government'?](#), a joint report with [The Future Governance Forum](#), funded by the Lloyds Bank Foundation.

We produced a set of proposals and engaged officials through roundtables, briefings, and bilateral conversations to test feasibility across departments.

Our method blended policy analysis with practitioner insight, proposing a Whitehall "front door," stronger interchange between sectors, and a test-and-learn culture that treats challenge as integral to good policy.

We also proposed the creation of a civil society satellite account, so the sector's economic contribution is visible in national statistics.

As a result, officials are exploring clearer mechanisms for engagement and data development, and charities report better traction in early discussions. The impact is an improved foundation for policy co-design and a pathway to evidence-informed decisions that recognise civil society's economic and social contribution.

## **Making environmental policy inclusive in Scotland**

We partnered with the Environmental Rights Centre for Scotland to ensure environmental policy works for those most affected by inequality.

We convened charities and community voices, commissioned targeted reviews, and [compiled insights into practical recommendations](#) on access to green and blue spaces, transport, renewables, housing retrofit, and green jobs.

Our method combined engagement with desk research and policy mapping, prioritising solutions that could be implemented by local and national government. The work is informing programme design and funding bids among participating organisations and has provided policymakers with credible, people-centred evidence.

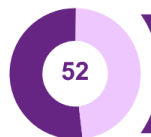
The impact is a clearer route to a fairer transition, with actions that can improve daily life while advancing climate goals.

## Consulting

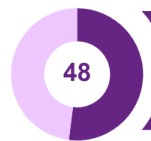
We believe good consultancy is about building relationships that lead to lasting change. Our specialist knowledge and influence in policy circles position us to help organisations reach their goals. Read more about [the services we offer](#).

### NPC Consultancy: July 2024 - June 2025

We sold a total of  
**84 new projects**



**52%** of our projects were repeat business with **existing clients**



**42%** of our projects were new business with **new clients**

### Reported by our clients



**90%** of our clients said they were either **very likely** or **likely** to make changes as a result of working with NPC\*

\*Client survey results are cumulative since May 2018

**98%** of our clients feel positively about us\*:

*“Which of the following best reflects how you feel about New Philanthropy Capital?”*

a) positive b) neutral c) critical



**65%** were positive without being asked

**33%** were positive if asked

\*Client survey results are cumulative since May 2018

## Impact Investing Strategy: Monday Charitable Trust

We supported Monday Charitable Trust [to design an impact investing strategy](#) aligned with its mission to improve life chances in areas such as housing, education and the environment.

We analysed the opportunity landscape, clarified strategic options by risk, return, impact and liquidity, and produced an impact investment policy the trustees can act on.

The process increased confidence and readiness to deploy an impact-focused endowment, giving the trust a disciplined framework for achieving financial goals while backing measurable social outcomes.



*NPC created a well-researched document at the end of the project based on sound industry knowledge that we can rely on to progress on our impact investment strategy.*

*Andrew Hope, Trust Advisor, Monday Charitable Trust*

## Learning Partnership: Sport England

Sport England's ten-year vision: 'Uniting the Movement' aims to transform lives and communities through sport and physical activity. To change the system, Sport England are working with and investing in over 130 other partner organisations across the country.

They include bodies who are governing and delivering sport, locally-led active partnerships, and organisations from outside the world of sport.

New Philanthropy Capital is one part of the consortium providing evaluation and learning for Sport England's work with partners, alongside Ipsos and Sheffield Hallam's Advanced Wellbeing Research Centre.

We are supporting partners to continually review, reflect, and change what they do and how they do it. For example: guidance on best practice and how to drive improvement, facilitating regular learning exchanges, and providing tailored support where needed. This project runs until 2028.

### **Case study: Impact Measurement: Tommy's**

Tommy's is a charity dedicated to preventing baby loss and ensuring safe pregnancies and births for all.

To help Tommy's turn strategy into learning, we created a measurement framework and an interactive dashboard that bring together outcome indicators, national statistics and equity breakdowns by socioeconomic status and ethnicity. The dashboard shows change over time and prompts teams to add commentary, so insight and context sit alongside the data.

This has encouraged staff to engage more actively with evidence, improved internal decision-making and equipped the charity to communicate progress clearly to supporters and partners.

*NPC has been invaluable in our mission to develop dashboards that measure the delivery of our strategy. They supported us in the translation of our strategic outcomes into meaningful measures, and worked with us to build interactive dashboards that measure our progress towards meeting our strategy. We could not have delivered this without their expertise and support. They have been with us every step of the journey!*

*Fiona MacDonagh, Deputy Director of Compliance, Tommy's*

## **Learning Partnership: GamCare**

GamCare is the leading provider of information, advice and support for anyone affected by gambling harms and operates the National Gambling Helpline.

Over three years [we worked as GamCare's critical friend](#) on evaluation and organisational learning. We began with theory of change development, moved through quality assurance and staff training, and eventually focused on strategic learning with the executive team.

By combining technical support with challenge and reflection, the partnership has strengthened GamCare's commissioning, improved the use of evidence across programmes and positioned the organisation to embed changes that last.



*Working with NPC was really pleasant and straight forward. They were responsive and always had a clear understanding of what we were asking for, offering exactly what we needed at specific moments. Their broad institutional knowledge was really valuable, and their support turned out to be great value for money.*

*Dominique Webb, GamCare*



## **Systems Change: Sainsbury's and Food Insecurity**

Sainsbury's Sustainability team asked us [to help sharpen its approach to tackling food insecurity](#).

We built a systems map from research and stakeholder interviews, convened internal and external workshops to test options and co-created a high-level theory of change that aligns targeted funding, internal partnerships and external collaboration.

Our bespoke approach supported Sainsbury's in enhancing their understanding of the drivers of food insecurity in the UK and where they as a business are well placed to act. This ultimately helped them advance more impactful charitable giving and community activities.

The theory of change will be used by Sainsbury's Sustainability team to drive stakeholder engagement, prioritise charitable partnerships and impactful giving, and inform their measurement and evaluation approach.

## Theory of Change Tools: Unity Trust Bank

[Unity Trust Bank launched a customer programme, developed with us](#), that explains impact planning and measurement through videos, workshops and practical toolkits. The resources explain theory of change in plain language and show how to link actions to outcomes that can be evidenced over time. By equipping mission-led customers with usable tools, the bank is helping them design better interventions, track progress and communicate the difference they make to communities.

*We're a customer-driven bank with a mission to contribute to a better society. Supporting customers to achieve their goals and create more impact is central to our mission. Last year over 1,000 customers told us a key service they would like from Unity was help in measuring their social impact. Using lessons from our work with New Philanthropy Capital, the resources and template provided in this new toolkit aim to support our customers to do this.*

*Joshua Meek, Chief Impact Officer at Unity Trust Bank*

## Programmes for change

Described as think tank in previous annual reports. We work with partners and build powerful networks to strengthen and grow the impact sector. By working on key projects together we develop and test new ways to maximise social impact.


### Everyone's Environment

[The Everyone's Environment programme](#) explores the social impacts of climate change and nature loss. Led by New Philanthropy Capital, it is a collaboration of charities and organisations from different sectors exploring what environmental crises mean for the people they serve.

We have advanced Everyone's Environment to ensure social justice sits at the centre of climate action. It now brings together more than 80 organisations to address how the climate and nature crises affect different social groups.

With new three-year funding secured, going forward the programme will support 180 local charities to advocate for their communities, train 60 Champions from under-represented groups to speak confidently in the media and publish research on impacts for women, girls and LGBTQ+ people.

Tools such as the [Pathway and the Conversations Toolkit](#) are helping leaders and frontline teams translate concern into stronger local voices and relevant action.




*As a funder, when we ask non-environmental charities about the climate and nature crises, we find many are struggling for the capacity to research and assess the implications beyond the need to decarbonise their own operations. Everyone's Environment is addressing that need.*

*Nick Addington, William Grant Foundation*


## Young People's Mental Health

In March 2025, we launched a [new research partnership to identify where charities and funders can make the most difference to children and young people's mental health](#). The project involves mapping support gaps and working with practitioners, funders and young people themselves to shape practical recommendations. The goal is to direct resources to interventions that deliver timely help and to support a joined-up approach across services.

The project will be delivered in partnership with the Children & Young People's Mental Health Coalition and Centre for Mental Health and is funded by BBC Children in Need, the AD Charitable Trust, and the Rayne Foundation.



*Members of the Children and Young People's Mental Health Coalition play a crucial role in supporting the mental health of babies, children and young people. This project will not only help to identify gaps in current provision but also help to strengthen existing support so that every child and young person gets the support they need, when they need it.*



*Charlotte Rainer, Manager, Children and Young People's Mental Health Coalition*

## Signpost+

Signpost+ addresses a simple but pressing problem: it is still easier for a teenager to find a takeaway than to find reliable help for mental health, housing or sexual health. Working with delivery partners, [we set out what good digital signposting looks like](#), from accessibility and data quality to partnership working and shared infrastructure. The programme is building the foundations for a web environment where young people can quickly find accurate, age-appropriate support that leads somewhere useful.

The project was delivered in partnership with National Support Network, Mind of My Own, Chasing the Stigma, The Mix, and Neontribe.

## Sharing our learning

We share our work through our publications, events, policy work and consulting, in order to embed evidence-led impactful practice throughout the impact sector.

### NPC Communications: July 2024 - June 2025



#### Website

Total number of users on our website

**165,000+**



#### 51 blogs

were published on our website, exploring the biggest impact economy stories, debates and ideas.

Our 'Theory of Change in 10 Steps' guide was viewed **28,037 times**



#### Our most viewed resources:

**1** Theory of Change in 10 steps

**2** The Iceberg Model

**3** Systems Practice Toolkit

#### Social Media



**5000+** new followers gained on LinkedIn

Our LinkedIn posts gained a total of **389,949 impressions**



#### Newsletter

Our newsletter had nearly 23,000 subscribers

**23,000**

#### Media Coverage

Our work was featured in the media **79 times**

We gained coverage from outlets including **Civil Society, The Independent** and **BBC News**



### Trusting and Equitable MEL: Guide for Funders

[Our guide reframes monitoring, evaluation and learning](#) as a tool for improvement and accountability that should fit the purpose at hand. It argues for clarity of intent, proportionality in requirements, and methods that generate useful insight rather than paperwork. The approach centres equity by bringing in the voices of people affected and investing in the sharing of learning so others can benefit.

## **Criminal Justice Funding Flows**

[Research funded by Lloyds Bank Foundation](#) shows that statutory income in the criminal justice voluntary sector is concentrated among large organisations, leaving smaller and specialist charities with thin coverage and cash-flow risks. Many contracts fail to meet full costs and are slow to pay.

We recommend more flexible, multi-year funding, agreed minimum standards for contracting that include full-cost recovery, and proportionate reporting so vital specialist services are sustainable.

*Working with New Philanthropy Capital feels like a safe pair of hands. The project team ably led a strong partnership contingent through the stages of the research and were generous with their time and adaptable and flexible with their approach with a view to making the research as impactful as possible.*

*Suzanne Perry, Lloyds Bank Foundation*

## **Community-Led Early Years Support**

With Local Trust we examined how community-led early years provision supports families who may distrust formal services. We found that effective models keep a welcoming, informal ethos while learning and adapting, provide varied ways to participate and connect strongly into local systems.

[The report](#) calls on national and local government and funders to recognise this value, invest in capacity and infrastructure and build the evidence base for what works in communities facing double disadvantage.

## 3. Our structure, management and governance

New Philanthropy Capital is a charitable company limited by guarantee. Each of our trustees have agreed to contribute up to £1 towards the assets of the company in the event of it being wound up. We were incorporated on 2 July 2001 and registered as a charity on 27 March 2002. Our trustees are the directors of the company and seek to adhere to the principles set out in the [Charity Governance Code](#).

### Trustees

We have an experienced and committed board contributing a range of perspectives and expertise. Our trustees set clear strategic goals, agreed annually along with performance targets, with progress reviewed at each meeting. Our trustees believe that people with different perspectives and experiences will bring new ideas, robust debate, better decisions and better impact. Our trustees regularly assess their own performance and complete a skills assessment to direct training, support, and recruitment. New trustees go through an induction programme. Individual trustees may get involved in areas outside of board meetings according to their skills, experience and interests.

### Management and staff

Day-to-day activities are led by our chief executive. They are responsible for developing strategies, products, and services within overall guidelines and policies set by the trustees; representing New Philanthropy Capital externally; and for ensuring that [our values](#) are communicated and observed in our working practices.

Our chief executive is supported by our leadership team—the chief operating officer, three directors, the head of communications and the head of income generation—and our staff. During the year ended 30 June 2025, we employed an average of 40 employees, of whom many worked part-time, giving 35 full-time equivalent employees. More detail is provided in note 8 to the financial statements.

## Pay

As the leading think tank and consultancy for the charity sector, we aim to attract staff from the not-for-profit sector as well as the public and private sectors—and to pay our people accordingly. Pay is reviewed at least annually, in accordance with our [published pay policy](#) which encompasses recruitment & retention, affordability, performance, proportionality and transparency. We are an accredited Living Wage employer. We do not hire unpaid interns, and staff at all levels have access to the same benefits, including pensions.

## Conduct at work

We strive to uphold high standards and behaviour in all we do, recognising that this requires a commitment to continual learning and improvement. Our [code of conduct](#) sets out our expectations of all staff, trustees, and associates. The code is centred around four principles: professional competence and behaviour; ethical standards and integrity; representing New Philanthropy Capital and the sector; and working with others. Our code is underpinned by our policies on [diversity, equity, and inclusion](#), [harassment, sexual harassment and bullying](#); [whistleblowing](#), and [complaints](#), all of which are published on our website.

We encourage all staff to speak up when they think something is wrong. Staff may speak confidentially to their line manager, a member of the leadership team, our HR team, our independent HR consultant, or a trustee. Staff may also speak to [Protect](#), an independent whistleblowing charity.

## Safeguarding

Much of our work involves communicating with the public and working directly with individuals and organisations to help them use their resources more effectively. This can include interaction with at-risk people, in person, online, or in another forum. We recognise that:

- ▶ The welfare of our direct and indirect beneficiaries is paramount.
- ▶ Everybody should be kept safe from harm regardless of age, disability, gender, racial heritage, religious belief, economic status, sexual orientation or identity.
- ▶ Some people will require more protection due to their age, level of dependency, previous experiences, or other issues.

Our [safeguarding policy](#) is published on our website. It sets out our expectations and provides guidance to staff on how to identify and assess safeguarding risk at activity inception, designing and implementing appropriate actions to mitigate safeguarding risk, monitoring safeguarding risk throughout, and how to report and respond to any concerns.

## Environment

We acknowledge that our activities have an effect on the environment, so we are committed to improving the sustainability of our working practices and behaviours whilst at work. Our [environment policy](#) is published on our website. It sets out the principles we seek to adhere to reduce our environmental impact. We recognise that this is an evolving area with new products and practices becoming available, so we continue to identify opportunities for further improvement.

Annually we estimate our carbon emissions and offset by purchasing carbon credits.

We fully offset 93.22 tonnes of CO<sub>2</sub>e for the calendar year ended 31 December 2024.



### *Helping the sector*

As well as looking at our own practices, our [Everyone's Environment](#) programme is a collaboration of 80 social and environmental charities to accelerate action on the social impacts of the environmental crises. The environmental crises do not affect all people in the same way; some of the most disadvantaged and marginalised people are worst affected by our changing environment and related policy. [You can read more about this programme on our website.](#)

## Diversity, equity and inclusion

We believe that a diverse, inclusive and equitable sector is essential to social impact. But currently, this is not the case. We believe that New Philanthropy Capital can and should be part of a movement to make our sector more diverse, inclusive and equitable, working alongside and in partnership with other organisations with greater knowledge and lived experience of marginalisation.

We recognise New Philanthropy Capital itself needs to become more diverse, inclusive and equitable. We have made some progress, but we need to do more. This is because we can only be part of the solution if we attract and retain diverse talent and also because diversity, equity and inclusion matters to us in and of itself. Our vision includes internal and external goals.

1. **External:** We use and share our power to work alongside partners as part of a movement to encourage charities and funders to embed diversity and equity in their activities and adopt more inclusive practices.
2. **Internal:** We attract and retain a broad diversity of talent and have a strongly inclusive working culture which respects and celebrates differences. Our staff have equitable access to opportunities and support to meet their personal development and professional goals.

This vision is underpinned by a 3-year improvement plan for 2024-2027. The plan includes a set of objectives to deliver on our vision that are grounded in NPC's values; and a set of actions on those objectives. You can [read more about our action plan and progress to date on our website](#).

As part of commitment to transparency, we publish our pay gaps and staff equal opportunities data.

### *Our pay gaps*

As at 30 June 2025

- Our mean gender pay gap was 24% and our median gender pay gap was 12% (2024: 28% and 23%)
- Our mean ethnicity pay gap was -19% and the median ethnic pay gap was -3% (2024: 20% and 27%). A negative % means that staff from non-white ethnicities are paid more.
- Our mean class pay gap was 16% and the median class pay was 6%. (2024: 27% and 21%).

Source: staff survey, June 2025, 100% response rate from staff excluding those on parental leave.

### *Our equal opportunities data*

For simplicity, we have only presented here the options for which at least one person selected. Answers which nobody selected have been omitted.

Source: staff DEI survey, September 2025, ~83% response rate / Sector benchmark: [UK Civil Society Almanac 2024 | NCVO](#) / National Average: [Census - Office for National Statistics \(ons.gov.uk\)](#)

<b>What is your gender identity? Sector benchmark: 67% Female</b>	
Female (Including Trans)	63%
Male (Including Trans)	37%
<b>Are you married or in a civil partnership? National average – 47% Yes</b>	
Yes	44%
No	52%
Prefer not to say	4%
<b>What is your age? Sector benchmark: 33% aged 16-34</b>	
16-24	4%
25-29	26%
30-34	19%
35-39	19%
40-44	19%
45-49	7%
50-54	4%
55-59	4%
<b>What is your ethnicity? Sector benchmark: 15% ethnic minority</b>	
White British	63%
White European	7%
White Irish	4%
Any other white background	4%
Asian Bangladeshi	4%
Any other Asian background	4%
White and Black Caribbean	4%
Any other mixed / multiple ethnic background	4%
Prefer not to say	7%
<b>Do you consider yourself to have a disability and/or learning difficulty? National average – 18% Yes</b>	
Yes	19%
No	81%

<b>Do you consider yourself to have a health condition and/or mental health condition?</b>	
Yes	30%
No	70%
<b>Do you consider yourself D/deaf or to have hearing loss?</b>	
Yes	7%
No	93%
<b>Do you consider yourself to be neurodivergent?</b>	
Yes	37%
No	63%
<b>What is your sexual orientation? National average – 89% Heterosexual</b>	
Heterosexual	63%
Bisexual	11%
Gay	7%
Lesbian	4%
Other sexual orientation / Prefer to self describe	4%
Prefer not to say	11%
<b>What is your religion or belief? National average – 46% Christian</b>	
Agnostic	19%
Atheist	26%
Christian	30%
Muslim	11%
Prefer not to say	15%
<b>Do you consider yourself to be a first generation or recent migrant to the UK?</b>	
Yes	19%
No	81%
<b>Do you consider yourself to be working class? National average – 35% working class</b>	
Yes	26%
No	63%
Prefer not to say	7%

## Cyber security

Cyber-crime is an ever-present and increasing threat for all organisations. We hold [Cyber Essentials Plus](#) accreditation, a government-backed scheme that provides us, our clients, and our other stakeholders with assurance that we have taken sensible steps to mitigate exposure to the most common cyber-attacks, such as staff training and awareness alongside IT controls.

## Risk

New Philanthropy Capital has a risk management process to enable the trustees and management to assess risks and devise and implement strategies and controls to mitigate or address them. Our risk register is reviewed regularly by the leadership team and annually by trustees. The board considers the following to be highest-risk areas:

<p>Insufficient demand for services, whether consulting or programmes for change</p>	<ul style="list-style-type: none"> <li>Exploring new market opportunities, evolving remit from charity sector to impact economy.</li> <li>Protecting our capacity to develop new business and partnerships.</li> <li>Reviewing &amp; improving our tender process in response to feedback.</li> <li>Continually refresh our content to remain relevant, including new content to test in market.</li> <li>Maintaining close relationships with principal clients, both existing and prospective.</li> <li>Staying up to date with competitor activities, products, and pricing.</li> <li>Increasing the flex in our cost base to enable timely scaling of resources to match demand.</li> </ul>
<p>Available time not used productively</p>	<ul style="list-style-type: none"> <li>Bedding in new team structure and ways of working post-restructure.</li> <li>Seeking opportunities to standardise and automate process, making use of AI where appropriate.</li> <li>Training and support for our staff.</li> <li>Close monitoring of project overruns to promptly address root causes.</li> </ul>

<p>Unable to attract, recruit &amp; retain the best talent</p>	<p>Maintaining an active associate and partner network, seeking to optimise the balance between permanent staff and freelancers.</p> <p>Regularly reviewing salaries.</p> <p>Offering flexibility and other benefits package aligned to hybrid working.</p> <p>Delivering against our 3-year DEI improvement plan.</p> <p>Initiatives centring around staff well-being and engagement.</p> <p>Proactively helping our staff to learn and develop.</p>
<p>Shortfall in working capital</p>	<p>Proactively managing working capital including credit control.</p> <p>Monitoring of lead indicators alongside management accounts and future financial projections.</p> <p>Contingency planning.</p> <p>Reviewing merger and partnership opportunities.</p> <p>Promoting and measuring progress against fundraising appeal target.</p>

## Trading subsidiary

The charity has a wholly-owned trading subsidiary, NPC Trading Limited. The company did not trade during the years ended 30 June 2025 or 30 June 2024.

## Statement of responsibilities of the trustees

The trustees (who are also directors of New Philanthropy Capital for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On 19 November 2024 the company's auditor changed its name from haysmacintyre LLP to HaysMac LLP.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report of trustees has been prepared in accordance with the special provisions applicable to companies' subject to the small companies' regime.

Approved by the trustees on 10 December 2025 and signed on their behalf by:

**Vaughan Lindsay, Chair**

## 4. Financial Review

### Year at a glance

Like many organisations, in the last year we have faced challenges in meeting our income targets and experienced continued upward pressure on salaries and other costs. To address this we have (a) merged with The Beacon Collaborative, consolidating our activities to increase the amount and effectiveness of philanthropy in the UK; (b) launched a fundraising appeal; and (c) restructured our team to reduce costs and increase productivity.

The net result is a £140,332 unrestricted surplus overall. This comprises a £119,503 operating deficit offset by a £78,585 gain upon the merger with The Beacon Collaborative and £181,250 unrestricted donations through our fundraising appeal.

We have been cautiously optimistic in setting our budget for the year ahead. Our medium-term goal is to achieve financial sustainability from our underlying operating activities.

**Total income for the year was £3.2m, an increase of 3.1% (2024: £3.1m).**

- Consulting - £2.0m. £0.4m less than last year mainly due to the volume and nature of projects.
- Programmes for change (previously think tank) - £0.7m. £0.4m more than last year mainly due to the timing of income for our Environment, Youth Mental Health, Open Youth Infrastructure and Building Civil Society Collaboration programmes.
- Unrestricted donations - £0.5m. £0.2m more than last year mainly due to our fundraising appeal and merger with The Beacon Collaborative.

**Total expenditure for the year was £3.0m, a decrease of 14.8% (2024: £3.5m).**

- Year on year comparisons are affected by grants paid to other organisations and redundancy costs. Excluding grants paid and redundancy costs, total expenditure was £2.9m (2024: £3.3m).
- Staff - £2.0m. £0.3m less than last year due to with lower staff numbers.

- Direct costs - £0.5m. £0.3m lower than last year due to less grants paid to other organisations and to project partners & associates.

## Our reserves policy and unrestricted funds target

The trustees believe that committed income should be considered alongside unrestricted reserves when considering the adequacy of reserves. The trustees' aim for total unrestricted reserves and committed income to cover between 3 and 6 months of planned expenditure in the year ahead.

At 30 June 2025 we had:

- Total reserves of £1,153,753 (2024: £877,844). Of these reserves £413,319 are legally restricted; £740,434 unrestricted but have been designated by trustees for a particular purpose; and £502,599 are fully unrestricted. Free reserves are £482,245.
- Committed fees and unrestricted grant income of £1,556,985 (2024: £1,395,790).

We expect average monthly expenditure in the year to 30 June 2026 to be £271,523. The total of fully unrestricted reserves and committed income will therefore cover approximately 6 months of budgeted expenditure. This is at the top end of our reserves policy and considered reasonable due to an expected unrestricted deficit in the financial year ending 30 June 2026.

The trustees are confident that New Philanthropy Capital has sufficient reserves and committed income to fund its planned activities.

## Independent auditor's report to the members of New Philanthropy Capital

### Opinion

We have audited the financial statements of New Philanthropy Capital for the year ended 30 June 2025 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2025 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 30, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company law and charity law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2022.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the misstatement of revenue and the override of internal controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluation management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, with particular consideration for journal entries posted with unusual account combinations, posted by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

## **Richard Weaver (Senior Statutory Auditor)**

For and on behalf of HaysMac LLP, Statutory Auditor

Date:

10 Queen Street Place London EC4R 1AG

## 5. Financial statements

### Statement of financial activities for the year ended 30 June 2025

Incorporating an Income and Expenditure Account

	Notes	Unrestricted funds (£)	Restricted funds (£)	2025 total (£)	2024 total (£)
Income from:					
Donations and legacies	2	456,444	10,000	<b>466,444</b>	<b>331,662</b>
Charitable activities					
- Consulting	3	1,879,617	150,985	<b>2,030,602</b>	<b>2,422,633</b>
- Programmes for change	3	-	658,173	<b>658,173</b>	<b>346,736</b>
- Communication & events		42,476	-	<b>42,476</b>	<b>25,427</b>
Other income		37,504	-	<b>37,504</b>	<b>15,115</b>
Investments		11,685	-	<b>11,685</b>	<b>8,301</b>
<b>Total income</b>		<b>2,427,726</b>	<b>819,158</b>	<b>3,246,884</b>	<b>3,149,874</b>
Expenditure on:					
Raising funds		94,083	-	<b>94,083</b>	<b>130,772</b>
Charitable activities					
- Consulting		1,557,658	126,080	<b>1,683,738</b>	<b>2,171,210</b>
- Programmes for change		263,587	557,501	<b>821,088</b>	<b>744,512</b>
- Communication & events		372,066	-	<b>372,066</b>	<b>440,522</b>
<b>Total expenditure</b>	4	<b>2,287,394</b>	<b>683,581</b>	<b>2,970,975</b>	<b>3,487,016</b>
<b>Net expenditure for the year</b>		<b>140,332</b>	<b>135,577</b>	<b>275,909</b>	<b>(337,142)</b>
Balance brought forward at 1 July		600,102	277,742	<b>877,844</b>	<b>1,214,986</b>
<b>Balance carried forward at 30 June</b>		<b>740,434</b>	<b>413,319</b>	<b>1,153,753</b>	<b>877,844</b>

All of these results are derived from continuing activities; all gains and losses recognised in the year are included.

Movements in funds are disclosed in note 20 to the financial statements.

Detailed comparatives for the Statement of Financial Activities are disclosed in note 23 to the financial statements.

## Balance sheet for the year ended 30 June 2025

	Notes	2025 total (£)	2024 total (£)
<b>Tangible fixed assets</b>			
Investments	11	1	1
Fixed assets	13	20,354	50,876
Rent deposit	15	40,800	40,800
<b>Current assets</b>			
Debtors and prepayments	14	608,361	555,878
Cash at bank and in hand		938,722	773,139
		<b>1,547,083</b>	<b>1,329,017</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	16	(439,485)	(527,850)
<b>Net current assets</b>		<b>1,107,598</b>	<b>801,167</b>
Creditors: amounts falling due in more than one year	17	(15,000)	(15,000)
<b>Net assets</b>		<b>1,153,753</b>	<b>877,844</b>
<b>Funds</b>			
Unrestricted funds		502,599	600,102
Designated funds		237,835	-
Restricted funds		413,319	277,742
<b>Total funds</b>		<b>1,153,753</b>	<b>877,844</b>

The financial statements were approved and authorised for issue by the trustees on 10 December 2025 and signed on their behalf by:

**Vaughan Lindsay, Chair**

Company No: 4244715

## Cash flow statement for the year ended 30 June 2025

	2025 total (£)	2024 total (£)
<b>Net income / (expenditure)</b>	275,909	(337,142)
Adjustments for:		
Depreciation	30,522	37,453
Interest income	11,685	8,301
(Increase) / decrease in debtors	(52,483)	185,280
(Decrease) / increase in creditors	(88,365)	(30,262)
<b>Net cash provided by operating activities</b>	<b>177,268</b>	<b>(136,370)</b>
<b>Cash flow from investing activities</b>		
Investment income – bank interest	(11,685)	(8,301)
Purchase of tangible fixed assets	-	(7,980)
<b>Net cash provided by / used in operating activities</b>	<b>(11,685)</b>	<b>(16,281)</b>
<b>Net change in cash and cash equivalents in the year</b>	<b>165,583</b>	<b>(152,651)</b>
Cash and cash equivalents at the beginning of the year	773,139	925,790
<b>Cash and cash equivalents at the end of the year</b>	<b>938,722</b>	<b>773,139</b>

£108,266 of cash and cash equivalents at the end of the year is restricted to a specific project (2024: £nil).

# Notes to the financial statements for the year ended 30 June 2025

## 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the financial statements.

### a) *Basis of preparation*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2022)—(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (January 2022) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have (a) produced forecasts and cashflows which run to at least 12 months from the date of signing these accounts; (b) considered a series of scenarios for future funding and their impact on the organisation, looking at the impact these would have on the financial viability of the business; and (c) considered the confirmed and unconfirmed funding for the year and its historical success rate of securing new funding. As a result, the Trustees are content that the organisation has sufficient availability of resources to meet its ongoing liabilities as they fall due for a period of 12 months. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### b) *Public Benefit Entity*

In reviewing New Philanthropy Capital's aims and planning future activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. Our vision and mission show that New Philanthropy Capital is committed to helping strengthen and grow the impact economy. Our beneficiaries are therefore the public at large.

All our activities contribute to our strategic aims and are for the benefit of the public. The charitable company meets the definition of a public benefit entity under FRS 102.

c) *Income*

All income is included in the statement of financial activities (SOFA) when it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Donations are recognised when received. Legacies and gifts are taken into account on a receivable basis, but only when capable of exact financial measurement.

Consulting fees are recognised when receivable. Fees are receivable when the consultancy service has been provided by New Philanthropy Capital. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred.

Grants are recognised as income when they become receivable. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred.

d) *Grant-making*

Grants payable are classified as charitable expenditure. Grants payable are charged in the year that they are agreed by the trustees and with the recipient organisation. The value of any such grants unpaid at the year end is accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments.

e) *Expenditure*

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function and costs incurred in connection with the compliance with constitutional and statutory requirements, is apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity:

Fundraising	6%	Consulting	62%	Programmes for change	19%
Communications	11%	Governance	2%		

Irrecoverable VAT is apportioned on the same basis as central costs.

*f) Expenditure on raising funds*

Expenditure on funds relate to the costs incurred by the charitable company in developing relationships with third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

*g) Tangible fixed assets and depreciation*

Tangible fixed assets costing more than £5,000 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Computer equipment	over 3 years
Computer software	over 3 years
Furniture and fixtures	over 5 years
Office equipment	over 5 years
Office fit out	over the life of the lease
Leasehold improvements	over the life of the lease

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

*h) Fund accounting*

Funds held by the charity are either:

- Restricted—these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Unrestricted—these are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

*i) Pension*

The charity operates a defined contribution pension scheme through Aegon Scottish Equitable for all employees completing six months' service. Membership of the scheme is not compulsory. Pension costs charged to the SOFA represent the contributions payable by the charity in the year.

*j) Leases*

Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

*k) Taxation*

The charity is exempt from taxation on its charitable activities.

*l) Investments*

The investment in the subsidiary is being held at cost.

*m) Financial instruments*

Financial assets, such as cash and debtors, are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities, such as trade creditors, loans and finance leases, are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of New Philanthropy Capital after deducting all of its liabilities.

*n) Debtors*

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

*o) Cash*

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of 95 days or less from the date of acquisition or opening of the deposit or similar account.

*p) Creditors and provisions*

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

*q) Acquisitions*

On 8 May 2025 New Philanthropy Capital merged with The Beacon Collaborative. Per the Charities SORP (FRS 102), merger accounting does not apply, and this transaction has been accounted for a combination. Accordingly, the excess of the fair value of the assets received over the fair value of the liabilities assumed, has been recognised as a donation.

*r) Judgements*

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The items in the accounts where these judgements and estimates have been made include estimating the value of work in progress at the period end based on the percentage of work completed and the fair value of assets and liabilities acquired upon merger with The Beacon Collaborative.

*r) Statutory information*

New Philanthropy Capital is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 2<sup>nd</sup> floor, 93 Great Suffolk Street, London SE1 0BX.

## 2. Donations and legacies

	2025 total (£)	2024 total (£)
Unrestricted grants	149,109	201,456
Fundraising appeal donations	181,250	-
Income upon merger with The Beacon Collaborative	78,585	-
Supporters' Circle donations	57,500	130,206
<b>Total donations and legacies</b>	<b>466,444</b>	<b>331,662</b>

All income from donations and legacies was unrestricted. Total donations and unrestricted grants received from trustees was £nil (2024: £10,000). We would like to thank GSR Foundation, Allan & Gill Gray Philanthropies and Tuixen for their unrestricted grants and to all those who donated to the fundraising appeal. This funding is invaluable to the delivery of our mission.

### *Income upon merger with The Beacon Collaborative*

New Philanthropy Capital merged with The Beacon Collaborative 8 May 2025. This income represents the difference between the fair value of acquired assets over liabilities. The amounts recognised for each class of asset, liability and contingent liability on acquisition date are set out in the table below.

	2025 total (£)
Cash	45,000
Accounts receivable	43,985
Accounts payable	(10,400)
<b>Income</b>	<b>78,585</b>

### 3. Restricted income

		2025 total (£)	2024 total (£)
<b>Programmes for change</b>			
State of the Sector	Odgers Berndston	-	7,000
	PWC Foundation	-	15,000
Everyone's Environment	City Bridge Trust	50,250	68,250
	Garfield Weston Foundation	-	40,000
	Barrow Cadbury	6,000	-
	People's Health Trust	5,000	15,000
	The Robertson Trust	-	35,560
	William Grant Foundation	-	37,500
Local Needs Databank	The Health Foundation	4,220	19,000
Data Lab	Gatsby Foundation	-	6,000
Early Years	Big Local Trust	-	29,926
Balanced Evaluation	PWC Foundation	-	15,000
Open Philanthropy	The Henry Smith Charity	6,500	58,500
Open youth infrastructure	Paul Hamlyn Foundation	125,000	-
Youth Mental Health	Rayne Foundation	20,000	-
	Children in Need	50,000	-
	AD Charitable Trust	25,000	-
Environment	EY Foundation	30,000	-
	The National Lottery	246,203	-
	Community Fund	-	-
Building Civil Society	Esmee Fairbairn	90,000	-
Collaboration	Foundation	-	-
<b>Total</b>		<b>658,173</b>	<b>346,736</b>
<b>Consulting</b>			
Trustee Seminars	Clothworker's Foundation	26,835	27,260
Changemakers Funding Programme	Comic Relief	35,150	51,625
Big Questions in Classrooms	Templeton World Charitable Foundation	-	104,165
Connect Fund	Barrow Cadbury	500	9,500
Equitable Evaluation	Charity Evaluation Working Group	-	2,535
Impact Measurement - Climate Investment Fund	The Chancery Lane Project	20,000	-
Sizing the Impact Sector	The Waterloo Foundation	25,000	-
Criminal Justice	Better Society Capital	7,500	-
	Lloyds Bank Foundation	36,000	-
<b>Total</b>		<b>150,985</b>	<b>195,085</b>
<b>Total restricted revenue</b>		<b>809,158</b>	<b>541,821</b>

## 4. Expenditure

### (a) Analysis of total expenditure

	Raising funds (£)	Consulting (£)	Programmes for change (£)	Comm'n & events (£)	2025 total (£)	2024 total (£)
Staff costs	59,442	1,232,331	450,271	290,526	2,032,570	2,286,896
Other direct costs	7,571	168,331	283,167	31,960	491,029	723,035
Support costs	27,070	283,076	87,650	49,580	447,376	477,085
<b>Total expenditure</b>	<b>94,083</b>	<b>1,683,738</b>	<b>821,088</b>	<b>372,066</b>	<b>2,970,975</b>	<b>3,487,016</b>
Total expenditure 2023-24	130,772	2,171,210	744,512	440,522		

### (b) Analysis of support costs

	Raising funds (£)	Consulting (£)	Programmes for change (£)	Comm'n & events (£)	2025 total (£)	2024 total (£)
Staff costs	434	4,532	1,404	794	7,164	5,606
Premises & office costs	11,440	119,631	37,042	20,953	189,066	158,627
IT & communication costs	3,809	39,834	12,334	6,977	62,954	63,531
Recruitment & training	4,004	41,880	12,967	7,336	66,187	118,833
Depreciation	1,847	19,313	5,980	3,382	30,522	37,453
Governance inc. external audit	4,242	44,361	13,736	7,770	70,109	57,858
Bank Charges	491	5,138	1,591	900	8,120	6,726
VAT	803	8,387	2,596	1,468	13,254	28,451
<b>Total support costs</b>	<b>27,070</b>	<b>283,076</b>	<b>87,650</b>	<b>49,580</b>	<b>447,376</b>	<b>477,085</b>
Total support costs 2023-24	28,735	322,727	71,616	54,007		

## 5. Grant-making

Grants of £10,000 or over were made to the following organisations:

	2025 total (£)	2024 total (£)
<b>Everyone's Environment</b>		
Groundwork	3,500	12,338
Race Equality Foundation	9,240	20,069
Re-engage	-	10,925
Grants <£10,000	14,282	24,674
<b>Signpost+</b>		
Chasing the Stigma	-	25,000
The Mix	-	25,000
Mind of My Own	-	25,000
National Support Network	-	25,000
<b>Youth Mental Health Environment</b>		
Centre for Mental Health	17,850	-
The Green Alliance Trust	11,178	-
Disability Rights UK	15,000	-
REF	15,000	-
Turn2Us	15,000	-
Media Trust	6,000	-
<b>Grants &lt; £10,000</b>	7,205	-
<b>Total grants</b>	<b>114,255</b>	<b>168,006</b>

## 6. Net movement in funds for the year

This is stated after charging:

	2025 total (£)	2024 total (£)
Auditor's remuneration (excluding VAT):		
Audit	16,500	15,000
Tax services	-	-

Audit includes £900 of non-recurring fees relating to the merger with The Beacon Collaborative.

## 7. Trustees' remuneration and expenses

The trustees neither received nor waived any emoluments during the year (2024: £nil). Expenses totalling £405 were reimbursed to trustees (2024: £226).

## 8. Staff costs

	<b>2025 total (£)</b>	<b>2024 total (£)</b>
Wages and salaries	1,690,527	1,906,152
Social security costs	189,806	198,615
Pension costs	159,401	187,735
<b>Total staff costs</b>	<b><u>2,039,734</u></b>	<b><u>2,292,502</u></b>

Wages and salaries includes ex-gratia payments of £12,342 to 4 employees (2024: £30,000).

The number of employees whose emoluments, as defined for taxation purposes, amounted to over £60,000 in the year was as follows:

	<b>2025 total</b>	<b>2024 total</b>
£60,000-£70,000	2	1
£70,001-£80,000	-	1
£80,001-£90,000	2	1
£90,001-£100,000	-	-
£100,001-£110,000	-	1

The average number of employees during the year was 40 (2024: 49).

The total amounts paid for salaries, fees and expenses in respect to the key management personnel of the charity were £637,247 (2024: £430,058). Key management personnel make up the leadership team, which consists of the Chief Executive, the Chief Operating Officer, three Directors, the Head of Communication and the Head of Income Generation. During this period two members of the key management personnel earned between £80,001-£90,000, and two earned £60,000-70,000.

The average number of employees, calculated on a full-time basis, analysed by function, was:

	<b>2025 total</b>	<b>2024 total</b>
Consulting	19	26
Programmes for change	5	4
Income generation	2	4
Communications & marketing	3	4
Executive, operations & strategy	6	6
<b>Total average number of employees</b>	<b><u>35</u></b>	<b><u>44</u></b>

## 9. Related party transactions

During the year the charity received the following from related parties and other parties closely connected with New Philanthropy Capital trustees, management and staff:

Client / funder	Relationship	2025 total (£)	2024 total (£)
Allen & Gill Gray Philanthropies	One staff member is a trustee	36,897	30,814
Baring Foundation	One board member is a trustee	-	12,225
Ethos Foundation	One staff member is a close family member	88,336	83,806
William Grant Foundation	One staff member is a close family member	-	37,500
City Bridge Trust	One board member is on the executive team of the funding arm	-	68,250
Sport England	One of NPC's board members is a board member	355,772	-

During the year one trustee made available an interest-free borrowing facility of up to £250,000. No funds were drawn down.

## 10. Pensions

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £159,401 (2024: £187,735). At 30 June 2025, contributions amounting to £22,096 (2024: £15,795) were payable to the scheme and are included in creditors.

## 11. Investments

The charity has an investment of £1 (2024: £1) in New Philanthropy Capital Trading Ltd. An equivalent amount is shown in creditors.

## 12. Subsidiary company

The charity owns the whole of the issued ordinary share capital of New Philanthropy Capital Trading Ltd (registered company number 4419576), which was incorporated and registered in England on 18 April 2003. The purpose of the subsidiary is to carry on business as a general commercial company to procure profits and gains for the purpose of paying them to New Philanthropy Capital (registered company number 4244715) or any other charitable body that succeeds to its charitable purpose. The company was dormant throughout the year and has not been consolidated.

The aggregate of the assets, liabilities and funds of New Philanthropy Capital Trading Ltd was as follows:

	2025 total (£)	2024 total (£)
Net assets	1	1
Funds (represented by one share of £1)	1	1

## 13. Tangible fixed assets

	Computer equipment (£)	Computer software (£)	Fixtures & fittings (£)	Leasehold improvements (£)	Total (£)
<b>Cost</b>					
1 July 2024	60,035	13,787	26,074	27,199	127,095
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>30 June 2025</b>	<b>60,035</b>	<b>13,787</b>	<b>26,074</b>	<b>27,199</b>	<b>127,095</b>
<b>Depreciation</b>					
1 July 2024	43,934	8,043	6,109	18,133	76,219
Charge for the year	10,802	4,596	6,058	9,066	30,522
Disposals	-	-	-	-	-
<b>30 June 2025</b>	<b>54,736</b>	<b>12,639</b>	<b>12,167</b>	<b>27,199</b>	<b>106,741</b>
<b>Net book value 30 June 2025</b>	<b>5,299</b>	<b>1,148</b>	<b>13,907</b>	<b>-</b>	<b>20,354</b>
Net book value 30 June 2024	16,101	5,744	19,965	9,066	50,876

#### 14. Debtors and prepayments

	2025 total (£)	2024 total (£)
Trade debtors	292,474	320,082
Prepayments	71,737	80,265
Donations and fees receivable	243,721	155,509
Other debtors	429	22
<b>Total debtors and prepayments</b>	<b>608,361</b>	<b>555,878</b>

#### 15. Non-current assets

	2025 total (£)	2024 total (£)
Rent deposit	40,800	40,800

#### 16. Creditors: amounts falling due within one year

	2025 total (£)	2024 total (£)
Trade creditors	75,148	67,595
Taxation and social security	33,012	48,294
VAT	79,363	99,408
Pensions	21,800	22,096
Deferred income	138,794	142,579
Accruals	83,034	140,280
Other creditors	8,334	7,598
<b>Total creditors: amounts due within one year</b>	<b>439,485</b>	<b>527,850</b>

#### 17. Creditors: amounts falling due in more than one year

	2025 total (£)	2024 total (£)
Dilapidations provision	15,000	15,000

#### 18. Deferred income

Deferred income consists of fees and restricted grant income received in advance.

	£
On 1 July 2024	142,579
Deferred income released during the year	(142,579)
Income deferred during the year	138,794
<b>Deferred income on 30 June 2025</b>	<b>138,794</b>

## 19. Analysis of net assets between funds

Fund balances on 30 June 2025 are represented by:

	<b>Unrestricted funds (£)</b>	<b>Designated funds (£)</b>	<b>Restricted funds (£)</b>	<b>Total (£)</b>
Investments	1	-	-	1
Tangible fixed assets	20,354	-	-	20,354
Non-current assets	40,800	-	-	40,800
Current assets	895,929	243,435	413,319	1,552,683
Current liabilities	(439,485)	(5,600)	-	(445,085)
Non-current liabilities	(15,000)	-	-	(15,000)
<b>Total funds</b>	<b>502,599</b>	<b>237,835</b>	<b>413,319</b>	<b>1,153,753</b>

Prior year:

	<b>Unrestricted funds (£)</b>	<b>Restricted funds (£)</b>	<b>Total (£)</b>
Investments	1	-	1
Tangible fixed assets	50,876	-	50,876
Non-current assets	40,800	-	40,800
Current assets	1,051,275	277,742	1,329,017
Current liabilities	(527,850)	-	(527,850)
Non-current liabilities	(15,000)	-	(15,000)
<b>Total funds</b>	<b>600,102</b>	<b>277,742</b>	<b>877,844</b>

## 20. Restricted and unrestricted funds

The funds of the charity include restricted funds. These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees. The trustee have elected to designate a portion of unrestricted funds for a specific purposes.

	At start of the year (£)	Income (£)	Expenditure (£)	At end of the year (£)
State of the Sector	38,920	-	(38,920)	-
Everyone's Environment	59,960	61,250	(121,210)	-
Open Philanthropy	57,480	6,500	(54,180)	9,800
Local Needs Databank	(4,200)	4,220	(20)	-
Signpost+	22,068	-	(22,068)	-
Changemakers Funding Programme	48,615	35,150	(63,339)	20,426
Big Questions in Classrooms	28,135	-	(28,135)	-
Connect Fund	(500)	500	-	-
Early Years	18,468	-	(18,468)	-
Balanced Evaluation	10,929	-	(10,929)	-
Criminal Justice	(2,133)	36,000	(33,867)	-
Open youth infrastructure	-	125,000	(84,300)	40,700
Youth Mental Health Environment	-	95,000	(44,719)	50,281
Building Civil Society Collaboration	-	276,203	(97,728)	178,475
Clothworkers Trusteeship	-	90,000	(13,766)	76,234
Impact measurement - climate	-	26,835	(17,326)	9,509
Investment fund	-	20,000	(20,000)	-
Sizing the impact sector	-	25,000	(4,149)	20,851
The Beacon Collaborative	-	7,500	(5,657)	1,843
<b>Total restricted funds</b>	<b>277,742</b>	<b>819,158</b>	<b>(683,581)</b>	<b>413,319</b>
The Beacon Collaborative post-merger integration	-	10,000	(4,800)	5,200
Fundraising appeal	-	68,585	(12,000)	56,585
<b>Total designated funds</b>	<b>-</b>	<b>181,250</b>	<b>-</b>	<b>181,250</b>
Total unrestricted funds	600,102	2,427,726	(2,287,394)	502,599
<b>Total funds</b>	<b>877,844</b>	<b>3,246,884</b>	<b>(2,907,975)</b>	<b>1,153,753</b>

Prior year

	At start of the year (£)	Income (£)	Expenditure (£)	At end of the year (£)
State of the Sector	106,350	22,000	(89,430)	38,920
Everyone's Environment	142,420	196,310	(278,770)	59,960
Levelling Up	-	2,535	(2,535)	-
Centring Lived Experience	13,105	-	(13,105)	-
Innovations in Philanthropy	13,106	-	(13,106)	-
Open Philanthropy	13,600	58,500	(14,620)	57,480
Local Needs Databank	19,000	19,000	(42,200)	(4,200)
Data Lab	4,575	6,000	(10,575)	-
Signpost+	224,760	-	(202,692)	22,068
My Best Life	5,000	-	(5,000)	-
Trustee Seminars	1,400	27,260	(28,660)	-
Changemakers Funding Programme	52,086	51,625	(55,096)	48,615
Big Questions in Classrooms	14,897	104,165	(90,927)	28,135
Connect Fund	-	9,500	(10,000)	(500)
Early Years	-	29,926	(11,458)	18,468
Balanced Evaluation	-	15,000	(4,071)	10,929
Criminal Justice	-	-	(2,133)	(2,133)
<b>Total restricted funds</b>	<b>610,299</b>	<b>541,821</b>	<b>(874,378)</b>	<b>277,742</b>
Total unrestricted funds	604,687	2,608,053	(2,612,638)	600,102
<b>Total funds</b>	<b>1,214,986</b>	<b>3,149,874</b>	<b>(3,487,016)</b>	<b>877,844</b>

## 21. Financial commitments

As at 30 June the charity was committed to making the following payments under non-cancellable operating leases:

	2025 total (£)	2024 total (£)
Within 1 year	94,000	56,000
Within 2 to 5 years	64,000	-
<b>Total financial commitments</b>	<b>158,000</b>	<b>56,000</b>

## 22. Post balance sheet events

There are no post balance sheet events to report.

**23. Detailed comparatives for the statement of financial activities for the year ended 30 June 2024**

	Notes	Unrestricted funds (£)	Restricted funds (£)	2024 total (£)	2023 total (£)
Income from:					
Donations and legacies	2	331,662	-	<b>331,662</b>	489,934
Charitable activities					
- Consulting	3	2,227,548	195,085	<b>2,422,633</b>	2,172,421
- Think tank	3	-	346,736	<b>346,736</b>	780,950
- Communication & events		25,427	-	<b>25,427</b>	28,496
Other income		15,115	-	<b>15,115</b>	10,493
Investments		8,301	-	<b>8,301</b>	1,956
<b>Total income</b>		<b>2,608,053</b>	<b>541,821</b>	<b>3,149,874</b>	<b>3,484,250</b>
Expenditure on:					
Raising funds		130,772	-	<b>130,772</b>	202,783
Charitable activities					
- Consulting		1,996,528	174,682	<b>2,171,210</b>	1,827,182
- Think tank		44,816	699,696	<b>744,512</b>	1,388,519
- Communication & events		440,522	-	<b>440,522</b>	442,979
<b>Total expenditure</b>	4	<b>2,612,638</b>	<b>874,378</b>	<b>3,487,016</b>	<b>3,861,463</b>
<b>Net expenditure for the year</b>		<b>(4,585)</b>	<b>(332,557)</b>	<b>(337,142)</b>	<b>(377,213)</b>
Balance brought forward at 1 July		604,687	610,299	<b>1,214,986</b>	1,592,199
<b>Balance carried forward at 30 June</b>		<b>600,102</b>	<b>277,742</b>	<b>877,844</b>	<b>1,214,986</b>

## 6. Reference & administrative details

<b>Charity registration number:</b>	1091450
<b>Company registration number:</b>	4244715
<b>Trustees:</b>	Delroy Corinaldi Meera Craston* Lucy de Groot (Vice-Chair)* Vaughan Lindsay (Chair)*^ JR May (from 10 September 2024)*^ Sir Harvey McGrath* Fiona Rawes^ Albert Tucker Emily Wheeler^ Peter Wheeler (until 31 October 2025)
	* Finance committee ^ Development committee
<b>Chief executive:</b>	Dan Corry (until 31 October 2024) Jonathan Simmons (from 1 November 2024)
<b>Registered office:</b>	93 Great Suffolk Street, London, SE1 0BX
<b>Auditors:</b>	HaysMac LLP, 10 Queen Street Place, London, EC4R 1AG
<b>Bankers:</b>	NatWest, Charing Cross Business Centre, 3rd Floor, Cavell House, London, WC2H 0NN
<b>Legal advisers:</b>	Withersworldwide, 20 Old Bailey, London, EC4M 7AN

New Philanthropy Capital  
93 Great Suffolk Street  
London  
SE1 0BX  
UK

[info@thinkNPC.org](mailto:info@thinkNPC.org)

Registered charity No 1091450  
A company limited by guarantee.  
Registered in England and Wales No 4244715

[www.thinkNPC.org](http://www.thinkNPC.org)

**NEW PHILANTHROPY CAPITAL**

England & Wales - Charity number 1091450

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# Accounts

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# New Philanthropy Capital Annual Report 2023-2024

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# Welcome from our Chair



This year saw a General Election and a new government.

We were pleased to see some recommendations that we developed, alongside other charities, make it into Labour's manifesto on youth workers and charities working with prisons. And we joined the election debate with two important publications:

- 'Partners for Change' on how to incentivise and encourage collaboration between government and the social sector
- 'Making environmental policy work for everyone' on how to make green policy fairer, with our recommendations backed by 33 charities.

Crucially, New Philanthropy Capital is able to balance our influence on these big-picture debates with our consultancy work. We are delivering practical improvements in impact for clients every day.

And we're learning from those experiences, finding lessons that can be shared with and applied to other sectors as well.

This combination of thought leadership and policy work, with hands-on support and advice is what enables New Philanthropy Capital to make an impact at different scales.

Of course, the impact we make is only possible thanks to the excellent and dedicated work of our staff and the continued assistance of our supporters in an increasingly tough environment. I want to thank all of them, for making everything we do possible.

I also want to thank Dan Corry, who stepped down as CEO after 13 years in the role. Dan's vision and leadership have been central parts in building New Philanthropy Capital into the organisation it is today—focused on impact, helping a range of organisations, and growing in influence.

We are equally excited about the appointment of Jonathan Simmons. Jonathan brings deep experience in leading purpose driven organisation and an exciting vision of collaboration with impact driven organisations and people from all sectors. We are excited to have him join the team.

Under Jonathan's leadership, the board is looking forward to continuing New Philanthropy Capital's work to reach more people and organisations, from all sectors, that want to deliver impact.

Finally, I want to thank my fellow trustees for their help in navigating the way forward and achieving our vision.

**Vaughan Lindsay, Chair**

# Welcome from our Chief Executive



I am incredibly fortunate to be joining New Philanthropy Capital (NPC) at this time.

I believe the relationship between wealth holders and those that deliver impact is one of the most important in our society today.

I've been fortunate enough throughout my career to work with many incredible organisations delivering impact, as well as many generous people and organisations willing to give support. Bringing these two groups together will enable us to address some of society's biggest challenges.

You can see this as a marketplace, with capital on one side and deliverers on the other. Like any marketplace, effective intermediaries are needed to support growth. It's clear to me that New Philanthropy Capital is just such an intermediary working across the social sector.

Across the following pages, you'll see many examples of NPC's work, including how we help Sport England manage their work with their grantees to deliver impact, or how we advise a range of funders on how they can tackle the youth mental health crisis. We have worked with the Santander Foundation on financial inclusion and the British Red Cross developing their theory of change for climate adaption.

I have been delighted to encounter so many experienced, smart, committed staff, dedicated to the mission of growing and improving the impact of the social sector.

Over the next year, I look forward to meeting NPC's community so together we can improve our collective impact.

Best Wishes,

Jonathan

# 1. Our Objectives and Activities

New Philanthropy Capital is the think tank and consultancy for the social sector. Our mission is to help charities, foundations, philanthropists, impact investors, social enterprises, businesses, and the public sector to maximise social impact in the lives of the people they serve.

Through our publications, events, [policy work](#) and [consulting](#), we support individuals and organisations, challenge and inspire the sector, and help to create the conditions for impact.

## Our objectives

We want to help the sector through influence, improvement, and innovation, so that it achieves greater impact for the people that it serves.

**Innovate:** We develop innovative approaches and new resources, focusing especially on how digital and data can enable the sector to maximise social impact.

**Influence:** We use our data, voice, and convening power to influence the sector's thinking and to put the social sector and social inequalities higher in the minds of policy makers, with deep dives into specific areas.

**Improve:** We provide the tools and resources to enable charities, funders and impact investors to work as efficiently and effectively as possible, making best use of their funding, as well as urging and embedding more evidence-led impactful practice throughout the social sector.

## Our values

As a charity think tank and consultancy, our mission is to improve lives by helping charities, foundations, philanthropists, impact investors, social enterprises, corporates, and the public sector to maximise social impact.

- We bring the following values to our work:
- We value honesty and integrity, even when it's hard.
- We care about evidence.

- We innovate and learn.
- We're committed to inclusion, equity, and diversity, in all its forms.
- We work with others.

In everything we do we strive to be clear, committed, passionate, bold, open, and imaginative. Our enthusiasm is deeply rooted in our passion for improving the lives of the people that charities serve.

[Find out more about our values on our website.](#)

## Our consulting offer

Whether you're a charity or funder, social enterprise or philanthropist, private sector or public sector body, our team of charity experts can help.

We can work with you on challenges like how to:

- Understand your cause and develop a strategy to achieve your mission.
- Manage and measure your impact.
- Develop your theory of change.
- Refine your grant-making to enhance your philanthropy impact.
- Become a socially responsible investor by making impactful social investments.
- Use digital and data to help achieve your mission.
- Develop an impact-ready board.
- Create and deliver learning partnership
- Involve users in designing your services and developing your strategy.
- Think big with systems change approaches.

We'll draw on our charity expertise and tailor it to your unique challenges and strengths. We'll work creatively and collaboratively with you, drawing on insights from across New Philanthropy Capital, the charity sector, and beyond to challenge and inform decisions.

Whether you're ready to get going on a project, or just want a bit more information on what New Philanthropy Capital can offer, we'd love to hear from you.

## 2. Our achievements and performance

This section presents some of our highlights from 2023-2024.

### NPC Ignites 2023

‘Insightful, thought-provoking topics, expert speakers and relevant data’

‘Met some really interesting people and have had some great follow-ups since.’

‘Hugely inspiring’

– NPC Ignites 2023 attendee feedback



*Dan Corry speaking at NPC Ignites*

Over 150 guests attended our annual flagship event, hearing 32 speakers over two days in-person and online.

They heard inspiring talks from:

- ▶ Mike Adamson, Chief Executive of the British Red Cross, on the need for the third sector to embrace collaborative leadership. This was a real challenge to all of us to think bigger and move beyond our organisational interests. (Read [media coverage of Mike's talk](#) or an [adapted version of the talk on our blog](#).)
- ▶ Trinh Tu, Managing Director of Public Affairs at Ipsos Mori, on the state of public opinion including how people were coping with the cost of living crisis and how they felt about the charity sector.
- ▶ Dan Corry, New Philanthropy Capital Chief Executive, on why politics should take civil society seriously and how to improve the relationship between government and the social sector. (Read [media coverage of Dan's talk](#) or [an adapted version of the talk on our blog](#).)
- ▶ Helen Stephenson, Chief Executive of the Charity Commission, on how charities can navigate a tough environment including when is the right time to close and how to work better with your trustees. ([Read media coverage of Helen's talk](#).)

As well as nine media stories on the event, Ignites was also a hit on social media, with over 30,000 impressions on the New Philanthropy Capital Twitter/X account.

## Everyone's Environment

The Everyone's Environment programme explores the social impacts of climate change and nature loss. Led by New Philanthropy Capital, it is a collaboration of charities and organisations from different sectors exploring what environmental crises mean for the people they serve.

In 2023-2024, the number of charity partners grew to over 80. The programme delivered a range of activity, including:

- Learning groups for funders and charity staff. The groups include informal peer support and guidance on incorporating environmental issues into strategy.
- [Making environmental policy work for everyone](#) – a set of detailed recommendations for all political parties to make environmental policy fairer, endorsed by 33 charities and published during the general election campaign. ([Read media coverage of the paper](#).)
- Findings from our deliberation groups with different groups of people affected by environmental crises. These include people's views on what action they want from charities

and policymakers. (Read findings from [Disabled people](#), [ethnic minority communities](#), [older people](#), and [young people](#).)

- Research briefings on how the environmental crises, and policies responding to it, affect different social groups in the UK. These briefings collect the evidence and data to provide a central resource to charities to understand the impact. (Read briefings about the impact on [people experiencing health inequalities](#) and [people living in poverty](#). Further briefings from the previous year are [also available to read](#).)
- A popular online event to launch the above briefings, where attendees heard from Charles Kwaku-Odoi (Chief Executive of the Caribbean and African Health Network) alongside New Philanthropy Capital staff and people with lived experience. ([Watch the event on YouTube](#).)

## Partners for Change

During the General Election campaign, we published our paper with ideas for the new government on how working with philanthropists and charities could help them deliver their agenda.

The paper includes [8 recommendations](#) for putting the partnership between government and charities on a strong footing, [9 recommendations in priority policy areas](#) where civil society and government can work together for change, and [recommendations for charities and funders](#) on how to support effective partnerships. ([Read our op-ed on the paper's key arguments](#).)

## Influencing Labour's manifesto

During the election, we were really pleased to see some recommendations that we developed alongside other charities make it into Labour's manifesto.

These were for youth workers and mentors to be placed in A&E units and Pupil Referral Units to divert young people from crime, and government backing for prisons to link up with charities to reduce reoffending and support ex-offenders into work.

We look forward to charities being involved in the roll-out of these policies.

## Helping charities cope with the youth mental health crisis



### *Youth Mental Health Launch Event*

The rise in demand for young people's mental health services has put huge pressure on charities. How can they cope?

[Our research, published in June 2024](#), explored what's causing the unprecedented increases in need and identified six key areas where funders can make a difference. They include preventative work and early intervention, building and diversifying the mental health workforce, and exploring a systems-based approach to funding.

The report was launched at a standing-room-only event in the City of London where attendees heard from Nddi Okezie, Chief Executive of UK Youth, and Anne Kent-Taylor, Director of Blue Smile. Our speakers provided a lot of inspiration for collaborative working—as Nddi said, 'no one child has one issue' and 'joined-up thinking' is essential.

We are looking forward to further work with charities and funders in this area.

## Achieving impact in education innovation

How can you drive lasting change in schools? We worked closely with the Templeton World Charity Foundation to assess their 'big questions in classrooms' programme.

Templeton's programme aimed to help pupils and teachers better understand 'how knowledge works'—the way subjects relate to each other and how we learn.

Our work for Templeton included consulting work to evaluate the programme's impact and [a public report](#) sharing lessons learned from that evaluation, e.g. the key barriers and enablers of change.

The evaluation was a great opportunity for our consulting team to speak and engage with teachers and students across the country. The public report was accompanied by a launch event where individual projects from across the Templeton programme could meet, connect, and share learnings.

## Systems Practice Toolkit

In January 2024, we published a free practical resource to help charities work more effectively with the complex problems and situations they face day-to-day.

[The Systems Practice Toolkit](#) provides 8 systems practice tools with illustrative examples and blank templates to use. It's not only a useful guide for individual organisations, it's part of our thought leadership in promoting systems change approaches across the sector.

The toolkit has been very popular, visited more than 11,000 times (launch-June 30 2024) and widely shared on social media.

## Climate Adaptation Theory of Change for The British Red Cross

*'NPC's support was helpful in shaping and refining our Theory of Change, which is now a powerful tool demonstrating our British Red Cross Crisis and Emergency Response commitment to climate change adaptation.'*

*Dr Ellie Murtagh, UK Climate Adaptation Lead*

The British Red Cross was developing a UK Climate Adaptation Theory of Change (ToC) to support its climate adaptation work programme as part of the Crisis and Emergency Service.

We advised on how to best engage with staff, volunteers, stakeholders, and service users to develop the ToC. We also provided feedback on drafts of the plan over several months. This included using our theory of change expertise to ensure there were strong connections between activity and impact, and incorporating learnings from our Everyone's Environment programme.

([Read more about our work with the British Red Cross.](#))

## Local Needs Databank

In May 2024, we launched the beta version of a renewed and redeveloped [Local Needs Databank](#).

The databank is an interactive tool that allows users to explore statistics on local needs through dashboards of charts, maps, and data filters.

Initial dashboards cover health and social care, and advice and support services. They include contextual information on local rates of poverty and deprivation, and on grant availability.

There's information from charities too, including from [Buttle UK](#) and [Trussell Trust](#), for example of number of food parcels delivered in each local area.

We hope that the databank will become a go-to resource for all those looking for data insights across the sector. We look forward to continuing to develop the tool throughout its beta period, including encouraging more charities to add their service delivery data.

## State of the Sector 2024

In February 2024 we published our latest ['State of the Sector' report](#) with findings from our robust, sampled surveys of charity leaders, charity users, and the public.

We asked them a series of questions about charities, how charities worked with the state, and what role charities play in local communities. What we heard was:

- Essential public services are at risk due to underfunded contracts held by charities. We estimate that charities prop up state services by £2.4bn a year.
- The majority of the public, particularly those from lower income backgrounds, are not sure that charities are working where they're most needed. 54% of the public want the government to give more support to charities to work in poorer areas.
- Only a small minority of the public (15%) think charities are 'too political'. 56% of the public overall think that charities get the balance 'about right'. This includes 63% of Conservative voters and 61% of Labour voters.
- The report played a key role in our thought leadership and influencing policymakers work, leading to six media articles and being cited in the House of Commons by the then Shadow Secretary of State for Culture, Media, and Sport Thangam Debbonaire.

- The report launch event in Westminster featured Debbonaire alongside Matt Downie, Chief Executive of Crisis and Anne Taylor, expert by experience at Crisis. ([Listen to the event recording.](#))

## Centring Lived Experience

In December 2023, we published [a guide for senior leaders on how to take a strategic approach to centring lived experience.](#)

It contained step-by-step advice on how leaders can effectively incorporate insight from lived experience throughout their organisation.

The public report is part of our work to promote greater use of lived experience in strategy development across the social sector. We are driving the conversation about moving beyond a tokenistic approach and recognising that insight from lived experience can increase impact.

([Read media coverage of the report.](#))

## Preventing Digital and Financial Exclusion with the Santander Foundation

The Santander Foundation commissioned us to research digital and financial exclusion in the UK.



We worked with organisations working in the field and people with lived experience to understand the drivers of inclusion, from poverty to low literacy and lack of confidence.

We found that digital and financial exclusion often overlap. For example, in difficulty accessing online banking. We also found that the most effective support to overcome exclusion was built

on relationships and sustained over the long-term.

[The public version of our report](#) highlighted patterns in funding and where grant-makers can make a difference.

## DCMS Volunteering Research Managed Services

New Philanthropy Capital is partnering with Basis Social and London Economics on a two-year Volunteering Research Managed Services contract on behalf of the Department for Culture, Media and Sport.

The work lead by Basis Social will see the partnership deliver a range of mixed method research projects designed to fill knowledge gaps, develop evidence that can be used to develop future programmes, funding streams and strategy, and support policymakers and practitioners in the VCSE sector develop more impactful interventions.

## Evaluation and Learning with Sport England

Sport England have launched a 10-year vision called 'Uniting the Movement', that aims to transform lives and communities through sport and physical activity. To change the system, Sport England are working with and investing in over 130 other partner organisations across the country.

They include bodies who are governing and delivering sport, locally-led active partnerships, and organisations from outside the world of sport.

New Philanthropy Capital are one part of the consortium providing evaluation and learning for Sport England's work with partners, alongside Ipsos and Sheffield Hallam's Advanced Wellbeing Research Centre

New Philanthropy Capital are supporting partners to continually review, reflect, and change what they do and how they do it. For example: guidance on best practice and how to drive improvement, facilitating regular learning exchanges, and providing tailored support where needed

This project will run from 2023 until 2028.

## Strategy Development for Tommy's

Tommy's is a pregnancy charity working to stop the heartbreak and devastation of baby loss and make pregnancy and birth safe for everyone.



With a new CEO in post, and the previous organisational strategy coming to an end, Tommy's was looking for support to bring staff, trustees, and people with lived experience together to develop a new long-term strategy for the charity.

New Philanthropy Capital supported Tommy's through a strategy development process that covered:

- ▶ **Insight gathering:** New Philanthropy Capital conducted an analysis of existing insight at Tommy's and developed a plan for filling identified gaps.
- ▶ **Discussion:** the New Philanthropy Capital team then delivered a series of in person workshops to engage staff, trustees, and other key stakeholders in the development of a new strategy. These workshops were iterative, building on input at each session, and included discussion of all elements of [New Philanthropy Capital's strategy's triangle](#).
- ▶ **Consultation with people with lived experience of pregnancy loss:** running alongside discussion workshops, New Philanthropy Capital consulted with Black and minority ethnic people with experience of baby loss and pregnancy loss, a key priority group for Tommy's to support in the new strategy.
- ▶ **Finalisation:** New Philanthropy Capital acted as critical friends to the senior leadership team at Tommy's as they finalised and articulated the strategy and secured final board approval.

The new strategy was successfully launched in Spring 2023.

'Tommy's new strategy provides us with a north star by which to navigate an increasingly complicated landscape, and we never could have created it without the help of NPC. Their experience, knowledge and processes guided us throughout, providing the expertise we sadly didn't have in house. NPC gave advice, and more importantly 'friendly challenge', when needed, ensuring that the result was a robust, informed and evidenced strategy which will help us deliver impact for the next decade.'

Amy Thomas, Chief Operating Officer

## Trustees event series with the Clothworkers' Company



### *Clothworkers Event*

Thanks to support from The Clothworkers' Company, we held a series of online events for trustees on how they can adapt and evolve to meet today's challenges.

These covered topics such as creating effective boards, campaigning, and centring lived experience.

An average of 91% of attendees rated these events 'Excellent' or 'Good', with many commenting on how practical the advice was:

Really practical advice on centring lived experience that doesn't feel too daunting even for an organisation with a long way to go on this.'  
– Attendee

After each event, a follow-up blog on lessons learned was shared on the New Philanthropy Capital blog to share insights more widely.

## 3. Financial Review

### Year at a glance

These are challenging times for the charity sector with need outstripping available resource. We are very proud of the way our staff are responding—producing practical support and guidance to support the sector to do its job of helping people most affected and making sure its impact is maximised.

Despite this, in the last year we have (1) faced challenges in meeting our income targets; (2) experienced longer lead-times on funding decisions; and (3) faced upward pressure on salaries and other costs. This is similar to many other charitable organisations. We've worked hard to reduce our costs through a combination of different initiatives. The net result is that we reported a £4,585 unrestricted deficit.

We have been cautiously optimistic in setting our budget for the year ahead and in our medium-term financial projections. We'll focus our income-generation efforts in areas where we can deliver the most impact, whilst scaling our cost base wherever possible.

### **Total income for the year was £3.1m, a decrease of 10% (2023: £3.5m).**

- Consulting - £2.4m. £0.2m more than last year mainly due to the volume and nature of projects.
- Think tank - £0.3m. £0.5m less than last year mainly due to the timing of income for our triennial State of the Sector research and funding for innovation projects.
- Unrestricted donations - £0.3m. £0.2m less than last year mainly due to match funding on our 20<sup>th</sup> anniversary appeal received last financial year.

### **Total expenditure for the year was £3.5m, a decrease of 10% (2023: £3.9m).**

- Year on year comparisons are affected by grants paid to other organisations. Excluding grants paid, total expenditure was £3.3m, the same as last year (2023: £3.3m).
- Staff - £2.3m. The same as last year with lower staff numbers offsetting cost of living pay awards.

- Direct costs - £0.7m. £0.3m lower than last year mainly due to less grants paid to other organisations, partly offset by higher payments to project partners & associates.
- Premises & office costs - £0.2m. Lower due to non-recurring office move costs incurred last year.

### **Our reserves policy and unrestricted funds target**

The trustees believe that committed income should be considered alongside unrestricted reserves when considering the adequacy of reserves. The trustees' aim for total unrestricted reserves and committed income to cover between 3 and 6 months of planned expenditure in the year ahead.

At 30 June 2024 we had:

- Total reserves of £877,844 (2023: £1,214,986). Of these reserves £277,742 are legally restricted and £600,102 are unrestricted (2023: £604,687). Free reserves are £549,226.
- Committed fees and unrestricted grant income of £1,395,790 (2023: £1,807,128).

We expect average monthly expenditure in the year to 30 June 2025 to be £305,764. The total of unrestricted reserves and committed income will therefore cover approximately 6.4 months of budgeted expenditure. This marginally higher our reserves policy but considered reasonable due to continued uncertainty about funding for consulting and think tank services and an expected unrestricted deficit in the financial year ending 30 June 2025.

The trustees are confident that New Philanthropy Capital has sufficient reserves and committed income to fund its planned activities.

## **Our structure, management and governance**

New Philanthropy Capital is a charitable company limited by guarantee. Each of our trustees have agreed to contribute up to £1 towards the assets of the company in the event of it being wound up. We were incorporated on 2 July 2001 and registered as a charity on 27 March 2002. Our trustees are the directors of the company and seek to adhere to the principles set out in the [Charity Governance Code](#).

### **Our trustees**

We have an experienced and committed board contributing a range of perspectives and expertise. Our trustees set clear strategic goals, agreed annually along with performance targets, with progress reviewed at each meeting. Our trustees believe that people with different perspectives and experiences will bring new ideas, robust debate, better decisions and better impact. Our trustees regularly assess their own performance and complete a skills assessment to direct training, support, and recruitment. New trustees go through an induction programme. Individual trustees may get involved in areas outside of board meetings according to their skills, experience and interests.

### **Our management and staff**

Day-to-day activities are led by our chief executive. They are responsible for developing strategies, products, and services within overall guidelines and policies set by the trustees; representing New Philanthropy Capital externally; and for ensuring that [our values](#) are communicated and observed in our working practices.

Our chief executive is supported by our senior management team—the chief operating officer, the director of research and consulting, the head of communications, the head of policy, the head of development and an HR consultant—and our staff. During the year ended 30 June 2024, we employed an average of 49 employees, of whom many worked part-time, giving 44 full-time equivalent employees. More detail is provided in note 8 to the financial statements.

### **Our approach to pay**

As the leading think tank and consultancy for the charity sector, we aim to attract staff from the not-for-profit sector as well as the public and private sectors—and to pay our people accordingly. Pay is reviewed at least annually, in accordance with our [published pay policy](#) which encompasses recruitment & retention, affordability, performance, proportionality and transparency. We are an accredited Living Wage employer. We do not hire unpaid interns, and staff at all levels have access to the same benefits, including pensions.

## Our trading subsidiary

The charity has a wholly-owned trading subsidiary, NPC Trading Limited. The company did not trade during the years ended 30 June 2023 or 30 June 2024.

## Our conduct at work

We strive to uphold high standards and behaviour in all we do, recognising that this requires a commitment to continual learning and improvement. Our [code of conduct](#) sets out our expectations of all staff, trustees, and associates. The code is centred around four principles: professional competence and behaviour; ethical standards and integrity; representing New Philanthropy Capital and the sector; and working with others. Our code is underpinned by our policies on [diversity, equity, and inclusion](#), [harassment and bullying](#); [whistleblowing](#), and [complaints](#), all of which are published on our website.

We encourage all staff to speak up when they think something is wrong. Staff may speak confidentially to their line manager, a member of the senior management team, our HR business partner, our independent HR consultant, or a trustee. Staff may also speak to [Protect](#), an independent whistleblowing charity.

## Our approach to safeguarding

Much of our work involves communicating with the public and working directly with individuals and organisations to help them use their resources more effectively. This can include interaction with at-risk people, in person, online, or in another forum. We recognise that:

- ▶ The welfare of our direct and indirect beneficiaries is paramount.
- ▶ Everybody should be kept safe from harm regardless of age, disability, gender, racial heritage, religious belief, economic status, sexual orientation or identity.
- ▶ Some people will require more protection due to their age, level of dependency, previous experiences, or other issues.

Our [safeguarding policy](#) is published on our website. It sets out our expectations and provides guidance to staff on how to identify and assess safeguarding risk at activity inception, designing and implementing appropriate actions to mitigate safeguarding risk, monitoring safeguarding risk throughout, and how to report and respond to any concerns.

## Our approach to the environment

We acknowledge that our activities have an effect on the environment, so we are committed to improving the sustainability of our working practices and behaviours whilst at work. Our [environment policy](#) is published on our website. It sets out the principles we seek to adhere to reduce our environmental impact. We recognise that this is an evolving area with new products and practices becoming available, so we continue to identify opportunities for further improvement.

Annually we estimate our carbon emissions and offset by purchasing carbon credits.

We fully offset 45.84 tonnes of CO<sub>2</sub>e for the calendar year ended 31 December 2023.



### *Helping the sector*

As well as looking at our own practices, we've launched the [Everyone's Environment](#) programme in partnership with over 80 social and environmental charities to put people at the heart of confronting the climate and nature crises. We're working with our partners to gather evidence of the impact that the environmental crises will have on different social groups, hear directly from people in these groups about what environmental solutions they want to see happen, and bring social and environmental charities together to address barriers to action and find common ground on policies.

## Our approach to diversity, equity and inclusion

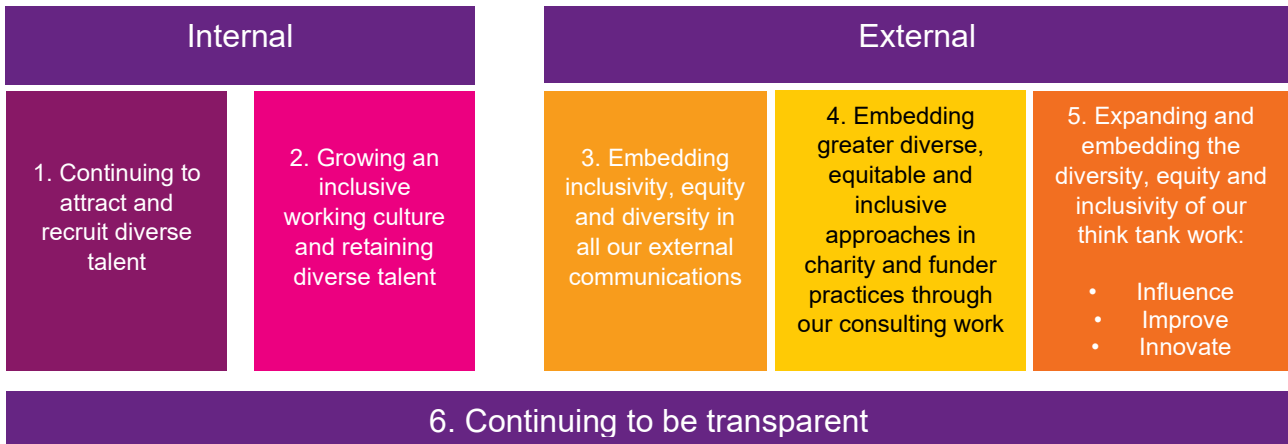
New Philanthropy Capital has a unique role in helping charities and funders be more impactful for the people they serve. We believe that a diverse, inclusive and equitable sector is essential to securing that impact. But currently, this is not the case. We believe that we can and should be part of a movement to make the sector more diverse, inclusive and equitable, working alongside and in partnership with other organisations with greater knowledge and lived experience of marginalisation.

New Philanthropy Capital itself needs to become even more diverse, inclusive and equitable. We have made some progress, but we need to do more. This is because we can only be part of the solution if we attract and retain diverse talent and also because diversity, equity and inclusion matters to us in and of itself. Our vision includes internal and external goals.

1. **External:** We use and share our power to work alongside partners as part of a movement to encourage charities and funders to embed diversity and equity in their activities and adopt more inclusive practices.

- 2. **Internal:** We attract and retain a broad diversity of talent and have a strongly inclusive working culture which respects and celebrates differences. Our staff have equitable access to opportunities and support to meet their personal development and professional goals.

This vision is underpinned by a new, 3-year improvement plan approved by our trustees in 2024. The plan includes a set of objectives to deliver on our vision that are grounded in NPC’s values; and a set of actions across 6 supporting pillars of activity to deliver on those objectives.



As part of continuing to be transparent, we will continue to share our pay gaps and staff equal opportunities data.

*Our pay gaps*

As at 30 June 2024 our mean gender pay gap was 28% and our median gender pay gap was 23%; our mean ethnic pay gap was 20% and the median ethnic pay gap was 27%; our mean class pay gap was 27% and the median class pay was 21%. In all instances the largest pay gaps are in the upper quartile.

Source: staff EO survey, June 2024, ~87% response rate.

*Our equal opportunities data*

For simplicity, we have only presented here the options for which at least one person selected. Answers which nobody selected have been omitted.

Source: staff DEI survey, November 2023, ~81% response rate / Sector benchmark: [UK Civil Society Almanac 2023 | NCVO](#) / National Average: [Census - Office for National Statistics \(ons.gov.uk\)](#)

<b>What is your gender identity? Sector benchmark: 67% Female</b>	
Female (Including Trans)	70%
Male (Including Trans)	26%
Non-binary	2%
Other / Prefer to self describe	2%
Prefer not to say	N/A
<b>Are you married or in a civil partnership? National average – 46.9% Yes</b>	
Yes	34%
No	64%
Prefer not to say	2%
<b>What is your age? Sector benchmark: 29% aged 16-34</b>	
16-24	11%
25-29	25%
30-34	18%
35-39	23%
40-44	9%
45-49	7%
50-54	5%
Prefer not to say	2%
<b>What is your ethnicity? Sector benchmark: 10% ethnic minority</b>	
White British	68%
White European	7%
Any other white background	2%
Asian Indian	2%
Black African	2%
Any other Black/African/Caribbean background	2%
White and Asian	2%
White and Black African	2%
Any other mixed / multiple ethnic background	2%
Jewish	5%
Prefer not to say	6%

<b>Do you consider yourself to have a disability and/or learning difficulty? National average – 17.7%</b>	
<b>Yes</b>	
Yes	16%
No	84%
<b>Do you consider yourself to have a health condition and/or mental health condition?</b>	
Yes	32%
No	68%
<b>Do you consider yourself D/deaf or to have hearing loss?</b>	
Yes	2%
No	98%
<b>Do you consider yourself to be neurodivergent?</b>	
Yes	20%
No	77%
Prefer not to say	3%
<b>What is your sexual orientation? National average – 89.4% Heterosexual</b>	
Heterosexual	71%
Bisexual	9%
Gay	4%
Other sexual orientation / Prefer to self describe	7%
Prefer not to say	9%
<b>What is your religion or belief? National average – 46.2% Christian</b>	
Agnostic	27%
Atheist	30%
Buddhist	2%
Christian	20%
Hindu	2%
Jewish	2%
Muslim	2%
Any other religion or belief	6%
Prefer not to say	9%
<b>Do you consider yourself to be a first generation or recent migrant to the UK?</b>	
Yes	11%
No	82%

Prefer not to say	7%
<b>Do you consider yourself to be educationally or economically disadvantaged?</b>	
Yes	16%
No	79%
Prefer not to say	5%

## Our approach to cyber security

Cyber-crime is an ever-present and increasing threat for all organisations. We hold [Cyber Essentials Plus](#) accreditation, a government-backed scheme that provides us, our clients, and our other stakeholders with assurance that we have taken sensible steps to mitigate exposure to the most common cyber-attacks, such as staff training and awareness alongside IT controls.

## Our approach to risk

New Philanthropy Capital has a risk management process to enable the trustees and management to assess risks and devise and implement strategies and controls to mitigate or address them. Our risk register is reviewed regularly by the senior management team and annually by trustees. The board considers the following to be highest-risk areas:

Risk	Mitigating actions
Transition to a new CEO	<ul style="list-style-type: none"> <li>Trustees fully engaged and working alongside a specialist agency.</li> <li>Appointment confirmed post-year end.</li> <li>Regularly communicating with our staff and external stakeholders.</li> <li>Comprehensive induction planning.</li> </ul>
Insufficient demand for consulting services	<ul style="list-style-type: none"> <li>Protecting our capacity to develop new business, markets and partnerships.</li> <li>Reviewing &amp; improving our tender process in response to feedback.</li> <li>Continually refresh our content to remain relevant, including new content to test in market.</li> <li>Maintaining close relationships with principal clients, both existing and prospective.</li> <li>Staying up to date with competitor activities, products, and pricing.</li> <li>Increasing the flex in our cost base to enable timely scaling of resources to match demand.</li> </ul>

<p>Unable to secure funding for think tank work</p>	<p>Repositioning our fundraising ask around thematic areas.</p> <p>Optimising our networks to raise our profile amongst potential funders.</p> <p>Maintaining close relationships with existing and prospective funders.</p> <p>Partnering with other organisations.</p> <p>Increasing the flex in our cost base to enable timely scaling of resources to match demand.</p>
<p>Available time not used productively</p>	<p>Seeking opportunities to standardise and automate process where appropriate.</p> <p>Reviewing consulting model to optimise utilisation.</p> <p>Supporting our staff to make best use of available systems and processes.</p> <p>Close monitoring of project overruns to promptly address root causes.</p>
<p>Unable to attract, recruit &amp; retain the best talent from diverse backgrounds</p>	<p>Regularly reviewing salaries, seeking to balance the rising cost-of-living for staff with what is possible for the organisation.</p> <p>Offering flexibility and other benefits package aligned to hybrid working.</p> <p>Delivering against our 3-year DEI improvement plan.</p> <p>Initiatives centring around staff well-being and engagement, including support for staff returning from sickness.</p> <p>Proactively helping our staff to learn and develop.</p> <p>Maintaining an active associate and partner network.</p>

## Statement of responsibilities of the trustees

The trustees (who are also directors of New Philanthropy Capital for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

On 19 November 2024 the company's auditor changed its name from haysmacintyre LLP to HaysMac LLP.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report of trustees has been prepared in accordance with the special provisions applicable to companies' subject to the small companies' regime.

Approved by the trustees on 10 December 2024 and signed on their behalf by:

**Vaughan Lindsay, Chair**

## Independent auditor's report to the members of New Philanthropy Capital

### Opinion

We have audited the financial statements of New Philanthropy Capital for the year ended 30 June 2024 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2024 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 28, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company law and charity law applicable in England and Wales, and we considered the extent to

which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2022.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the misstatement of revenue and the override of internal controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluation management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, with particular consideration for journal entries posted with unusual account combinations, posted by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable

company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Richard Weaver (Senior Statutory Auditor)**

For and on behalf of HaysMac LLP, Statutory Auditor

Date:

10 Queen Street Place London EC4R 1AG

## Statement of financial activities for the year ended 30 June 2024

Incorporating an Income and Expenditure Account

	Notes	Unrestricted funds (£)	Restricted funds (£)	2024 total (£)	2023 total (£)
Income from:					
Donations and legacies	2	331,662	-	<b>331,662</b>	489,934
Charitable activities					
- Consulting	3	2,227,548	195,085	<b>2,422,633</b>	2,172,421
- Think tank	3	-	346,736	<b>346,736</b>	780,950
- Communication & events		25,427	-	<b>25,427</b>	28,496
Other income		15,115	-	<b>15,115</b>	10,493
Investments		8,301	-	<b>8,301</b>	1,956
<b>Total income</b>		<b>2,608,053</b>	<b>541,821</b>	<b>3,149,874</b>	<b>3,484,250</b>
Expenditure on:					
Raising funds		130,772	-	<b>130,772</b>	202,783
Charitable activities					
- Consulting		1,996,528	174,682	<b>2,171,210</b>	1,827,182
- Think tank		44,816	699,696	<b>744,512</b>	1,388,519
- Communication & events		440,522	-	<b>440,522</b>	442,979
<b>Total expenditure</b>	4	<b>2,612,638</b>	<b>874,378</b>	<b>3,487,016</b>	<b>3,861,463</b>
<b>Net expenditure for the year</b>		<b>(4,585)</b>	<b>(332,557)</b>	<b>(337,142)</b>	<b>(377,213)</b>
Balance brought forward at 1 July		604,687	610,299	<b>1,214,986</b>	1,592,199
<b>Balance carried forward at 30 June</b>		<b>600,102</b>	<b>277,742</b>	<b>877,844</b>	<b>1,214,986</b>

All of these results are derived from continuing activities; all gains and losses recognised in the year are included.

Movements in funds are disclosed in note 20 to the financial statements.

Detailed comparatives for the Statement of Financial Activities are disclosed in note 23 to the financial statements.

## Balance sheet for the year ended 30 June 2024

	Notes	2024 total (£)	2023 total (£)
<b>Tangible fixed assets</b>			
Investments	11	1	1
Fixed assets	13	50,876	80,349
Rent deposit	15	40,800	40,800
<b>Current assets</b>			
Debtors and prepayments	14	555,878	741,158
Cash at bank and in hand		773,139	925,790
		<b>1,329,017</b>	<b>1,666,948</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	16	(527,850)	(558,112)
<b>Net current assets</b>		<b>801,167</b>	<b>1,108,836</b>
Creditors: amounts falling due in more than one year	17	(15,000)	(15,000)
<b>Net assets</b>		<b>877,844</b>	<b>1,214,986</b>
<b>Funds</b>			
Unrestricted funds		600,102	604,687
Restricted funds		277,742	610,299
<b>Total funds</b>		<b>877,844</b>	<b>1,214,986</b>

The financial statements were approved and authorised for issue by the trustees on 10 December 2024 and signed on their behalf by:

**Vaughan Lindsay, Chair**

Company No: 4244715

### Cash flow statement for the year ended 30 June 2024

	2024 total (£)	2023 total (£)
<b>Net income / (expenditure)</b>	(337,142)	(377,213)
Adjustments for:		
Depreciation	37,453	22,906
Interest income	8,301	1,956
(Increase) / decrease in debtors	185,280	(243,210)
(Decrease) / increase in creditors	(30,262)	70,194
<b>Net cash provided by operating activities</b>	<b>(136,370)</b>	<b>(525,367)</b>
<b>Cash flow from investing activities</b>		
Investment income – bank interest	(8,301)	(1,956)
Purchase of tangible fixed assets	(7,980)	(82,155)
<b>Net cash provided by / used in operating activities</b>	<b>(16,281)</b>	<b>(84,111)</b>
<b>Net change in cash and cash equivalents in the year</b>	<b>(152,651)</b>	<b>(609,478)</b>
Cash and cash equivalents at the beginning of the year	925,790	1,535,268
<b>Cash and cash equivalents at the end of the year</b>	<b>773,139</b>	<b>925,790</b>

## Notes to the financial statements for the year ended 30 June 2024

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the financial statements.

#### *a) Basis of preparation*

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)—(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (January 2019) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on donations, grants and consulting income. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

#### *b) Public Benefit Entity*

In reviewing New Philanthropy Capital's aims and planning future activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. Our vision and mission show that New Philanthropy Capital is committed to helping charities and funders to achieve a greater impact. Our beneficiaries are therefore anyone helped by charities and funders—that is, the public at large.

All our activities contribute to our strategic aims and are for the benefit of the public. This report has set out New Philanthropy Capital's activities and achievements and illustrates how they benefit charities and funders. By helping charities and funders to achieve a greater impact, we ultimately

help the people that these charities and funders serve. The charitable company meets the definition of a public benefit entity under FRS 102.

*c) Income*

All income is included in the statement of financial activities (SOFA) when it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Donations are recognised when received. Legacies and gifts are taken into account on a receivable basis, but only when capable of exact financial measurement.

Consulting fees are recognised when receivable. Fees are receivable when the consultancy service has been provided by New Philanthropy Capital. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred.

Grants are recognised as income when they become receivable. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred.

*d) Grant-making*

Grants payable are classified as charitable expenditure. Grants payable are charged in the year that they are agreed by the trustees and with the recipient organisation. The value of any such grants unpaid at the year end is accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments.

*e) Expenditure*

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function and costs incurred in connection with the compliance with constitutional and statutory requirements, is apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity:

Fundraising	6%	Consulting	61%	Think tank	13%
Communications	10%	Governance	10%		

Irrecoverable VAT is apportioned on the same basis as central costs.

*f) Expenditure on raising funds*

Expenditure on funds relate to the costs incurred by the charitable company in developing relationships with third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

*g) Tangible fixed assets and depreciation*

Tangible fixed assets costing more than £5,000 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Computer equipment	over 3 years
Computer software	over 3 years
Furniture and fixtures	over 5 years
Office equipment	over 5 years
Office fit out	over the life of the lease
Leasehold improvements	over the life of the lease

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

*h) Fund accounting*

Funds held by the charity are either:

- Restricted—these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- Unrestricted—these are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

*i) Pension*

The charity operates a defined contribution pension scheme through Aegon Scottish Equitable for all employees completing six months' service. Membership of the scheme is not compulsory. Pension costs charged to the SOFA represent the contributions payable by the charity in the year.

*j) Leases*

Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

*k) Taxation*

The charity is exempt from taxation on its charitable activities.

*l) Investments*

The investment in the subsidiary is being held at cost.

*m) Financial instruments*

Financial assets, such as cash and debtors, are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities, such as trade creditors, loans and finance leases, are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of New Philanthropy Capital after deducting all of its liabilities.

*n) Debtors*

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

*o) Cash*

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of 95 days or less from the date of acquisition or opening of the deposit or similar account.

*p) Creditors and provisions*

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

*q) Judgements*

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The items in the accounts where these judgements and estimates have been made include estimating the value of work in progress at the period end based on the percentage of work completed.

*r) Statutory information*

New Philanthropy Capital is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 2<sup>nd</sup> floor, 93 Great Suffolk Street, London SE1 0BX.

## 2. Donations and legacies

	2024 total (£)	2023 total (£)
Unrestricted grants	201,456	243,041
Supporters' Circle and individual donations	130,206	246,893
<b>Total donations and legacies</b>	<b>331,662</b>	<b>489,934</b>

All income from donations and legacies was unrestricted. Total donations and unrestricted grants received from trustees was £10,000 including gift aid (2023: £62,500) this was made up of trustee donations through the Supporters' Circle, individual donations and unrestricted grants.

We would like to thank Oak Foundation, Monday Charitable Trust, Mohn Westlake Foundation, Allan & Gill Gray Philanthropies and Tuixen for their unrestricted grants. This funding was invaluable to allowing us to continue delivering to our mission.

### 3. Restricted income

		2024 total (£)	2023 total (£)
<b>Think tank</b>			
My Best Life	London Borough of Lambeth	-	8,500
State of the Sector	Charity Aid Foundation	-	109,850
	Odgers Berndston	7,000	-
	PWC Foundation	15,000	-
Everyone's Environment	City Bridge Trust	68,250	51,500
	Children in Need	-	47,650
	Garfield Weston Foundation	40,000	40,000
	People's Health Trust	15,000	-
	The Robertson Trust	35,560	
	William Grant Foundation	37,500	75,000
Centred Living Experience	City Bridge Trust	-	35,000
Innovations in Philanthropy	John Stares	-	15,000
Local Needs Databank	The Health Foundation	19,000	19,000
Data Lab	Gatsby Foundation	6,000	6,000
Signpost+	Nominet Trust	-	350,000
Levelling Up	Lloyds Foundation	-	23,450
Early Years	Big Local Trust	29,926	-
Balanced Evaluation	PWC Foundation	15,000	-
Open Philanthropy	The Henry Smith Charity	58,500	-
<b>Total</b>		<b>346,736</b>	<b>780,950</b>
<b>Consulting</b>			
Trustee Seminars	Clothworker's Foundation	27,260	37,740
Changemakers Funding Programme	Comic Relief	51,625	91,875
Big Questions in Classrooms	Templeton World Charitable Foundation	104,165	-
Connect Fund	Barrow Cadbury	9,500	-
Equitable Evaluation	Charity Evaluation Working Group	2,535	-
<b>Total</b>		<b>195,085</b>	<b>129,615</b>
<b>Total restricted revenue</b>		<b>541,821</b>	<b>910,565</b>

#### 4. Expenditure

##### (a) Analysis of total expenditure

	Raising funds (£)	Consulting (£)	Think tank (£)	Comm'n & events (£)	2024 total (£)	2023 total (£)
Staff costs	95,852	1,524,753	320,481	345,810	2,286,896	2,296,611
Other direct costs	6,185	323,730	352,415	40,705	723,035	1,033,937
Support costs	28,735	322,727	71,616	54,007	477,085	530,915
<b>Total expenditure</b>	<b>130,772</b>	<b>2,171,210</b>	<b>744,512</b>	<b>440,522</b>	<b>3,487,016</b>	<b>3,861,463</b>
Total expenditure 2022-23	202,783	1,827,182	1,388,519	422,979		

##### (b) Analysis of support costs

	Raising funds (£)	Consulting (£)	Think tank (£)	Comm'n & events (£)	2024 total (£)	2023 total (£)
Staff costs	338	3,792	841	635	5,606	5,821
Premises & office costs	9,554	107,304	23,812	17,957	158,627	249,076
IT & communication costs	3,826	42,976	9,537	7,192	63,531	70,711
Recruitment & training	7,157	80,386	17,838	13,452	118,833	111,566
Depreciation	2,256	25,335	5,622	4,240	37,453	24,853
Governance inc. external audit	3,485	39,138	8,685	6,550	57,858	51,226
Bank Charges	404	4,552	1,010	760	6,726	(829)
VAT	1,715	19,244	4,271	3,221	28,451	18,490
<b>Total support costs</b>	<b>28,735</b>	<b>322,727</b>	<b>71,616</b>	<b>54,007</b>	<b>477,085</b>	<b>530,914</b>
Total support costs 2022-23	44,094	309,856	117,597	59,367		

## 5. Grant-making

Grants of £10,000 or over were made to the following organisations:

	2024 total (£)	2023 total (£)
<b>Open Philanthropy</b>		
Achieved Dreams	-	11,000
Amazing Grace	-	10,000
Barking and Dagenham Youth Dance	-	14,080
Be Enriched	-	10,000
Benefit Advice Shop	-	10,000
Beneficance	-	11,000
Better Together Community Support Group	-	15,000
Bridging the Gap	-	10,000
Buttle UK	-	15,650
Central & West Integration Network SCIO	-	10,000
Centre for Social Inclusion	-	14,976
Disability Huntingdonshire	-	10,000
Exeter Communities Together	-	11,000
First Step North East	-	14,957
Friends of Romano Lav	-	14,550
GESIPR	-	15,000
Greggs Foundation	-	15,650
Hope for the Young	-	15,000
Ignite Life	-	10,000
Lighthouse – Supporting Women Through Stormy Times	-	11,000
Living Keys	-	10,450
Migrant Workers Sefton Community	-	10,000
Moulsecoomb Community Market	-	10,000
My Sisters Place	-	15,650
New Neighbours Together	-	15,000
Nigerian Community Association Merseyside	-	10,602
Period Power	-	11,000
Say It Out Loud Club	-	15,000
Skills Enterprise	-	10,000
South Yorkshire Refugee Law & Justice	-	10,000
Teaching Staff Trust	-	15,650
Turn2Us	-	15,650
The Family Fund Trust	-	15,650
Together Engage Encourage Support	-	15,000
Uniform Recycling Scheme	-	15,000
United to Assist Refugees UK	-	10,450
Women's Trust	-	15,650
Grants <£10,000		103,078
<b>Everyone's Environment</b>		
Groundwork	12,338	-
Race Equality Foundation	20,069	-
Re-engage	10,925	-
Grants <£10,000	24,674	-
<b>Signpost+</b>		

Chasing the Stigma	25,000	-
The Mix	25,000	-
Mind of My Own	25,000	-
National Support Network	25,000	
<b>Total grants</b>	<b>168,006</b>	<b>572,693</b>

## 6. Net movement in funds for the year

This is stated after charging:

	2024 total (£)	2023 total (£)
Auditor's remuneration (excluding VAT):		
Audit	15,000	13,700
Tax services	-	1,100

## 7. Trustees' remuneration and expenses

The trustees neither received nor waived any emoluments during the year (2023: £nil). Expenses totalling £226 were reimbursed to trustees (2023: £nil).

## 8. Staff costs

	2024 total (£)	2023 total (£)
Wages and salaries	1,906,152	1,971,117
Social security costs	198,615	152,028
Pension costs	187,735	179,287
<b>Total staff costs</b>	<b>2,292,502</b>	<b>2,302,432</b>

Wages and salaries includes an ex-gratia payment of £30,000 to an employee (2023: £nil).

The number of employees whose emoluments, as defined for taxation purposes, amounted to over £60,000 in the year was as follows:

	2024 total	2023 total
£60,000-£70,000	1	-
£70,001-£80,000	1	2
£80,001-£90,000	1	-
£90,001-£100,000	-	-
£100,001-£110,000	1	1

The average number of employees during the year was 49 (2023: 51).

The total amounts paid for salaries, fees and expenses in respect to the key management personnel of the charity were £430,058 (2023: £414,059). Key management personnel make up the senior management team, which consists of the Chief Executive, the Chief Operating Officer, the Director of Consulting, the Director of Innovation & Development, the Head of Communication and the Head of Policy. During this period one member of the key management personnel earned between £100,001-£110,000, one earned between £80,001-90,000, one earned £70,001 -80,000 and one earned £60,000-70,000.

The average number of employees, calculated on a full-time basis, analysed by function, was:

	2024 total	2023 total
Consulting	26	27
Think tank	4	2
Innovation & development	4	6
Communications & marketing	4	4
Executive, operations & strategy	6	6
<b>Total average number of employees</b>	<b>44</b>	<b>45</b>

## 9. Related party transactions

Aggregate donations and grants from trustees were £10,000 (2023: £174,950). More information can be found in note 2. During the year the charity received the following from related parties and other parties closely connected with New Philanthropy Capital management and staff:

Client / funder	Relationship	2024 total (£)	2023 total (£)
Allen & Gill Gray Philanthropies	One staff member is a trustee	30,814	17,691
Baring Foundation	One board member is a trustee	12,225	27,938
Ethos Foundation	One staff member is a close family member	83,806	35,957
William Grant Foundation	One staff member is a close family member	37,500	75,000
City Bridge Trust	One board member is on the executive team of the funding arm	68,250	86,500
Grant Gordon	One staff member is a close family member	-	10,000

During the year one trustee made available an interest-free borrowing facility of up to £250,000 to help meet the upfront costs of an office move. The facility expired on 31 December 2023. No funds were drawn down.

## 10. Pensions

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £187,735 (2023: £179,287). At 30 June 2024, contributions amounting to £ 15,795 (2023: £17,928) were payable to the scheme and are included in creditors.

## 11. Investments

The charity has an investment of £1 (2023: £1) in New Philanthropy Capital Trading Ltd. An equivalent amount is shown in creditors.

## 12. Subsidiary company

The charity owns the whole of the issued ordinary share capital of New Philanthropy Capital Trading Ltd (registered company number 4419576), which was incorporated and registered in England on 18 April 2003. The purpose of the subsidiary is to carry on business as a general commercial company to procure profits and gains for the purpose of paying them to New Philanthropy Capital (registered company number 4244715) or any other charitable body that succeeds to its charitable purpose. The company was dormant throughout the year and has not been consolidated.

The aggregate of the assets, liabilities and funds of New Philanthropy Capital Trading Ltd was as follows:

	2024 total (£)	2023 total (£)
Net assets	1	1
Funds (represented by one share of £1)	1	1

### 13. Tangible fixed assets

	Computer equipment (£)	Computer software (£)	Fixtures & fittings (£)	Leasehold improvements (£)	Total (£)
<b>Cost</b>					
1 July 2023	59,858	13,787	26,074	27,199	126,918
Additions	7,980	-	-	-	7,980
Disposals	(7,803)	-	-	-	(7,803)
<b>30 June 2024</b>	<b>60,035</b>	<b>13,787</b>	<b>26,074</b>	<b>27,199</b>	<b>127,095</b>
<b>Depreciation</b>					
1 July 2023	36,851	3,447	1,738	4,533	46,569
Additions	14,886	4,596	4,371	13,600	37,453
Disposals	(7,803)	-	-	-	(7,803)
<b>30 June 2024</b>	<b>43,934</b>	<b>8,043</b>	<b>6,109</b>	<b>18,133</b>	<b>76,219</b>
<b>Net book value 30 June 2024</b>	<b>16,101</b>	<b>5,744</b>	<b>19,965</b>	<b>9,066</b>	<b>50,876</b>
Net book value 30 June 2023	23,007	10,340	24,336	22,666	80,349

### 14. Debtors and prepayments

	2024 total (£)	2023 total (£)
Trade debtors	320,082	319,027
Bad debt provision	-	(14,558)
Prepayments	80,265	107,907
Donations and fees receivable	155,509	327,459
Other debtors	22	1,323
<b>Total debtors and prepayments</b>	<b>555,878</b>	<b>741,158</b>

### 15. Non-current assets

	2024 total (£)	2023 total (£)
Rent deposit	40,800	40,800

**16. Creditors: amounts falling due within one year**

	2024 total (£)	2023 total (£)
Trade creditors	67,595	77,389
Taxation and social security	48,294	53,707
VAT	99,408	85,459
Pensions	22,096	17,928
Deferred income	142,579	172,129
Accruals	140,280	136,960
Other creditors	7,598	14,540
<b>Total creditors: amounts due within one year</b>	<b>527,850</b>	<b>558,112</b>

**17. Creditors: amounts falling due in more than one year**

	2024 total (£)	2023 total (£)
Dilapidations provision	15,000	15,000

**18. Deferred income**

Deferred income consists of fees and restricted grant income received in advance.

	£
On 1 July 2023	172,129
Deferred income released during the year	(172,129)
Income deferred during the year	142,579
<b>Deferred income on 30 June 2024</b>	<b>142,579</b>

**19. Analysis of net assets between funds**

Fund balances on 30 June 2024 are represented by:

	Unrestricted funds (£)	Restricted funds (£)	Total (£)
Investments	1	-	1
Tangible fixed assets	50,876	-	50,876
Non-current assets	40,800	-	40,800
Current assets	1,051,275	277,742	1,329,017
Current liabilities	(527,850)	-	(527,850)
Non-current liabilities	(15,000)	-	(15,000)
<b>Total funds</b>	<b>600,102</b>	<b>277,742</b>	<b>877,844</b>

Prior year:

	Unrestricted funds (£)	Restricted funds (£)	Total (£)
Investments	1	-	1
Tangible fixed assets	80,349	-	80,349
Non-current assets	40,800	-	40,800
Current assets	1,056,649	610,299	1,666,948
Current liabilities	(558,112)	-	(558,112)
Non-current liabilities	(15,000)	-	(15,000)
<b>Total funds</b>	<b>604,687</b>	<b>610,299</b>	<b>1,214,986</b>

## 20. Restricted and unrestricted funds

The funds of the charity include restricted funds. These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

	At start of the year (£)	Income (£)	Expenditure (£)	At end of the year (£)
State of the Sector	106,350	22,000	(89,430)	38,920
Everyone's Environment	142,420	196,310	(278,770)	59,960
Levelling Up	-	2,535	(2,535)	-
Centring Lived Experience	13,105	-	(13,105)	-
Innovations in Philanthropy	13,106	-	(13,106)	-
Open Philanthropy	13,600	58,500	(14,620)	57,480
Local Needs Databank	19,000	19,000	(42,200)	(4,200)
Data Lab	4,575	6,000	(10,575)	-
Signpost+	224,760	-	(202,692)	22,068
My Best Life	5,000	-	(5,000)	-
Trustee Seminars	1,400	27,260	(28,660)	-
Changemakers Funding Programme	52,086	51,625	(55,096)	48,615
Big Questions in Classrooms	14,897	104,165	(90,927)	28,135
Connect Fund	-	9,500	(10,000)	(500)
Early Years	-	29,926	(11,458)	18,468
Balanced Evaluation	-	15,000	(4,071)	10,929
Criminal Justice	-	-	(2,133)	(2,133)
<b>Total restricted funds</b>	<b>610,299</b>	<b>541,821</b>	<b>(874,378)</b>	<b>277,742</b>
Total unrestricted funds	604,687	2,608,053	(2,612,638)	600,102
<b>Total funds</b>	<b>1,214,986</b>	<b>3,149,874</b>	<b>(3,487,016)</b>	<b>877,844</b>

Prior year

	At start of the year (£)	Income (£)	Expenditure (£)	At end of the year (£)
State of the Sector	-	109,850	(3,500)	106,350
Everyone's Environment	-	214,150	(71,730)	142,420
Climate	6,976	-	(6,976)	-
Levelling Up	-	23,450	(23,450)	-
Centring Lived Experience	-	35,000	(21,895)	13,105
Innovations in Philanthropy	-	15,000	(1,894)	13,106
Open Philanthropy	704,681	-	(691,081)	13,600
Local Needs Databank	-	19,000	-	19,000
Data Lab	-	6,000	(1,425)	4,575
Signpost+	20,119	350,000	(145,359)	224,760
My Best Life	63,909	8,500	(67,409)	5,000
Trustee Seminars	-	37,740	(36,340)	1,400
Changemakers Funding Programme	16,670	91,875	(56,459)	52,086
Big Questions in Classrooms	106,961	-	(92,064)	14,897
<b>Total restricted funds</b>	<b>919,316</b>	<b>910,565</b>	<b>(1,219,582)</b>	<b>610,299</b>
Total unrestricted funds	672,883	2,573,685	(2,641,881)	604,687
<b>Total funds</b>	<b>1,592,199</b>	<b>3,484,250</b>	<b>(3,861,463)</b>	<b>1,214,986</b>

## 21. Financial commitments

As at 30 June the charity was committed to making the following payments under non-cancellable operating leases:

	2024 total (£)	2023 total (£)
Within 1 year	56,000	96,000
Within 2 to 5 years	-	56,000
<b>Total financial commitments</b>	<b>56,000</b>	<b>152,000</b>

## 22. Post balance sheet events

Subsequent to the year end:

- The charity restructured and made ex-gratia payments totalling £2,353 to two staff.
- One trustee made available an interest-free borrowing facility of up to £250,000. The facility expires on 31 December 2025. At the date of this report no funds have been drawn down.

**23. Detailed comparatives for the statement of financial activities for the year ended 30 June 2023**

	Notes	Unrestricted funds (£)	Restricted funds (£)	2023 total (£)	2022 total (£)
Income from:					
Donations and legacies	2	489,934	-	489,934	545,508
Charitable activities					
- Consulting	3	2,042,806	129,615	2,172,421	2,113,944
- Think tank	3	-	780,950	780,950	899,948
- Communication & events		28,496	-	28,496	23,106
Other income		10,493	-	10,493	10,798
Investments		1,956	-	1,956	114
<b>Total income</b>		<b>2,573,685</b>	<b>910,565</b>	<b>3,484,250</b>	<b>3,593,418</b>
Expenditure on:					
Raising funds		202,783	-	202,783	236,590
Charitable activities					
- Consulting		1,642,318	184,864	1,827,182	1,673,860
- Think tank		353,801	1,034,718	1,388,519	719,268
- Communication & events		442,979	-	442,979	383,020
<b>Total expenditure</b>	4	<b>2,641,881</b>	<b>1,219,582</b>	<b>3,861,463</b>	<b>3,012,738</b>
<b>Net expenditure for the year</b>		<b>(68,196)</b>	<b>(309,017)</b>	<b>(377,213)</b>	<b>580,680</b>
Balance brought forward at 1 July		672,883	919,316	1,592,199	1,011,519
<b>Balance carried forward at 30 June</b>		<b>604,687</b>	<b>610,299</b>	<b>1,214,986</b>	<b>1,592,199</b>

## Reference and administrative details

<b>Charity registration number:</b>	1091450
<b>Company registration number:</b>	4244715
<b>Trustees:</b>	<p>Delroy Corinaldi          Meera Craston*          Lucy de Groot (Vice-Chair)*          Vaughan Lindsay (Chair)*^          JR May (appointed 10 September 2024)*^          Sir Harvey McGrath*          Fiona Rawes^          Albert Tucker          Emily Wheeler^          Peter Wheeler</p> <p>* Finance committee          ^ Development committee</p>
<b>Chief executive:</b>	<p>Dan Corry (left 31 October 2024)          Jonathan Simmons (joined 1 November 2024)</p>
<b>Registered office:</b>	93 Great Suffolk Street, London, SE1 0BX
<b>Auditors:</b>	HaysMac LLP, 10 Queen Street Place, London, EC4R 1AG
<b>Bankers:</b>	NatWest, Charing Cross Business Centre, 3rd Floor, Cavell House, London, WC2H 0NN
<b>Legal advisers:</b>	Withersworldwide, 20 Old Bailey, London, EC4M 7AN

## Our Year in Stats

**52** clients, **29** repeat business

**84** media appearances - including the Financial Times, Politico, and Times Radio.

**3,921** event delegates.

**151,203** impressions on LinkedIn.

**533,925** total webpage views

### Top webpages:

1. Theory of Change in Ten Steps
2. Systems Practice Toolkit
3. Starting to measure your impact
4. Centring Lived Experience
5. Everyone's Environment

NPC is the think tank and consultancy for the social sector. Our mission is to help charities, foundations, philanthropists, impact investors, social enterprises, corporates, and the public sector to maximise social impact in the lives of the people they serve.

Through our publications, events, policy work, and consulting, we support individuals and organisations to **improve** their practices, we **innovate** and develop useful tools and approaches, we challenge and **influence** the sector and government, and we help to create the conditions for impact.

We also use our unique position, as a bridge between the social sector and its funders, to inspire bold initiatives. We use our convening power at a local, national, and international level and we advocate for the right policies, infrastructure, and funding to power the sector's long-term aspirations. What's more, we use our independent voice to call for a people-centred approach to society's most systemic social issues.

## The social impact think tank and consultancy

### Transforming the charity sector

New Philanthropy Capital  
93 Great Suffolk Street  
London  
SE1 0BX  
UK

[info@thinkNPC.org](mailto:info@thinkNPC.org)

Registered charity No 1091450  
A company limited by guarantee.  
Registered in England and Wales No 4244715

[www.thinkNPC.org](http://www.thinkNPC.org)

**NEW PHILANTHROPY CAPITAL**

England & Wales - Charity number 1091450

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# Accounts

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# Annual Report

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For the year ended 30 June 2023

Charity No. 1091450  
Company No. 4244715



  
NPC Ignites

#NPCIgnites @NPCthinks

Connect.  
Challenge.

## Welcome from our chair

The pandemic, the cost-of-living, the climate crisis— is it any wonder that 2022's word of the year was permacrisis? But amidst the chaos, we must not lose sight of the long-term. That's why NPC is supporting the social sector to prepare for tomorrow's challenges, whilst at the same time responding to today's crises.

We're known as a thought leader, yet we're still focused on the practical, providing solid, hands-on guidance and support. Our clients say that we help them to take stock of what they're doing and how they should prioritise and in doing so, contribute to an impact-focused culture.

The depth provided by our consultants is matched by the breadth of our think tank work. Our NPC Ignites conference has been described as journey of discovery—an open and inclusive space to reflect on the sector's challenges and explore possibilities for change with knowledgeable people.



Going forwards, we want to focus on social inequalities, helping charities, government, and funders to direct resources towards:

- People and areas experiencing the worst wealth, health, and educational outcomes.
- The environment, ensuring that different social groups are included in decisions.
- Data and digital.
- Helping people to access better charity services.
- Improving philanthropy as a sector that adopts structural and systemic change, with a focus on equity, inclusivity and user-involvement.

All of this is only possible with your support, especially now as fundraising gets harder. As always, I'd like to thank everyone who has worked with us and supported us, as well as the many who read our published work and put it into practice.

**Vaughan Lindsay, Chair**



## Introduction from our CEO

Our mission is to help charities, funders, businesses, investors, and policy makers to achieve more for the people that they serve. Through our think tank and consulting work, we bring both breadth and depth in the impact that we achieve.

2022 was dominated by the cost-of-living crisis, which posed huge questions for charities and those working with them—questions which demonstrate why NPC is needed and which will only get bigger as Britain goes to the polls. We're helping the sector to navigate these through our three priorities: Improve, Innovate, and Influence.

At the end of our 20th year, we published new resources, including our funder guides on [confronting the cost-of-living crisis](#) and [incorporating diversity, equity, and inclusion principles into grant-making](#). We also developed new thinking on [equitable evaluation](#) and [centring-lived experience](#). We launched the first of our briefings on [how the climate and nature crises and environmental policies will impact different social groups](#) and continued to

demonstrate the role of civil society in creating a flourishing local economy, with a lot of effective influencing work around [Levelling Up](#), and a guide for MPs. We trialled new approaches through our [Open Philanthropy](#) initiative, and built upon our previous innovations through successfully pushing for a new Employment Data Lab.

Throughout, we've strengthened our consulting offer to provide more on impact investing, systems change, and collective approaches. We've also shifted our communications to reflect the changing nature of media and social media, with our LinkedIn presence rising by almost a third. It's been a bumper year for media coverage, with numerous colleagues recording podcast interviews—mostly for the first time. I'd like to thank the entire team for their dedication, and our trustees for their challenge and support.

**Dan Corry, Chief Executive**

# Our mission and values

As a charity think tank and consultancy, our mission is to improve lives by helping charities, foundations, philanthropists, impact investors, social enterprises, corporates, and the public sector to maximise social impact.

We bring the following values to our work:

- We value honesty and integrity, even when it's hard.
- We care about evidence.
- We innovate and learn.
- We're committed to inclusion, equity, and diversity, in all its forms.
- We work with others.

In everything we do we strive to be clear, committed, passionate, bold, open, and imaginative. Our enthusiasm is deeply rooted in our passion for improving the lives of the people that charities serve.

For more on our values, visit [thinkNPC.org/about-NPC/our-values](https://thinkNPC.org/about-NPC/our-values).

*'NPC is a very trusted and influential name, anything with your name or logo on it attracts the attention of people working in third sector.'* Survey Respondent



# Our convening power

Our [NPC Ignites conference](#) remains a major event in the charity calendar, and a great platform for sharing ideas. This year we were delighted to welcome 254 delegates and host 46 speakers for a lively debate about the biggest issues in the social sector.

Other NPC event highlights this year included:

- An enlightening conversation with David Knott, Chief Executive of the National Lottery Community Fund.
- Exploring the challenges and opportunities that the rise of AI presents for charities.
- An expert panel on the role of impact investing in philanthropy, looking at different pathways for foundations and funders to engage.
- Our regular support sessions for trustees, with advice on issues like impact measurement and dealing with 'perma-crisis'
- Help getting started for businesses and corporate philanthropists interested in taking a Theory of Change approach to their giving.

To sponsor or host an NPC event, contact our [Head of Communications](#).

*'NPC provides up to date information on thinking in the sector.'*

Survey Respondent



# Our consulting offer

*'NPC helps to bring charities together, it provides trusted support and resources.'* Survey Respondent

Making a positive difference isn't easy. Whether you're a charity or funder, social enterprise or philanthropist, private sector or public sector body, our team of charity experts can help.

We can work with you on challenges like how to:

- Understand your cause and [develop a strategy](#) to achieve your mission.
- [Manage and measure your impact.](#)
- Develop your [theory of change](#).
- Refine your grant-making to enhance your [philanthropy impact](#).
- Become a socially responsible investor by making [impactful social investments](#).
- Use [digital and data](#) to help achieve your mission.

- Develop an [impact-ready board](#).
- Create and deliver a [learning partnership](#) (such as our work with the [Building Connections Fund](#)).
- [Involve users](#) in designing your services and developing your strategy.
- Think big with [systems change](#) approaches.

We'll draw on our charity expertise and tailor it to your unique challenges and strengths. We'll work creatively and collaboratively with you, drawing on insights from across NPC, the charity sector, and beyond to challenge and inform decisions.

Whether you're ready to get going on a project, or just want a bit more information on what NPC can offer, [we'd love to hear from you](#).

# Our objectives, activities, achievements, and performance

We want to help the sector through influence, improvement, and innovation, so that it achieves greater impact for the people that it serves.

**Improve:** We urge and embed more evidence-led impactful practice throughout the sector.

**Innovate:** We explore and develop innovative approaches, new tools, and resources that can enable the sector to maximise its impact.

**Influence:** We use our data, voice, and convening power to influence the sector's thinking, placing it (and social inequalities) higher in the minds of policy makers and the wider sector.

**As we celebrate our 20th anniversary in 2022/23 we said we would focus on:**

- Diversity, equity, inclusion, and power.
- Poverty, inequality, and the cost-of-living.
- How the climate and nature crises affect people.
- Digital technologies and data.



# We urge and embed more evidence-led impactful practice

## Developing new approaches

### Making grant-making fairer

Many charities working with marginalised groups have been historically underfunded, so may find it harder to jump through hoops to demonstrate what funders are looking for. We think funders could achieve more by reframing their approach to risk, to consider the risk of impact missed by failing to give to charities doing great work, but who may not score well on traditional criteria.

Our [guide to diverse, equitable, and inclusive grant-making](#) explains how funders can adapt their grantmaking processes to recognise past structural disadvantages. Diverse, equitable, and inclusive grant-making is about who makes the decisions, where we get our evidence, and who is missing from the conversation. Without this, we risk perpetuating a system which favours those with the most wealth and power.

Our Effective Philanthropy Principal, Sarah Denselow, discussed the issue on the [Third Sector Podcast](#). We also wrote a summary for [Alliance Magazine](#). Going forward, we intend to help more funders to implement these ideas through our consultancy support.

### A new way of doing strategy

As the pace of change speeds up, the need to anchor our work to clear, shared objectives—able to meet evolving crises—grows ever greater. We've been updating our thinking on what good strategy looks like in these frenetic times—something flexible enough to respond to current circumstances without getting pulled off-course.

We've developed new sector-leading advice on how to prioritise, make decisions, implement them, and be guided by our values. We're sharing this knowledge through our [events](#) and [free blogs](#) on our website, in addition to our [bespoke work](#) with clients.

### Towards a culture of lived experience

Many charities want to meaningfully centre lived experience yet struggle with where to start, how to fund it, and how their culture and processes should adapt. It can be hard to know what approach to take, or what genuine and practical influence should look like.

We've been working with several differently sized charities who are committed to meaningfully centring lived experience. We're exploring how to combine lived experience with 'learned' or 'professional' experience in governance and strategy development, how to resource and manage involvement work, and how to prioritise lived experience in decision-making.

# We urge and embed more evidence-led impactful practice

## Responding to crises

### Confronting the cost-of-living crisis

We're helping philanthropists respond to the cost-of-living crisis in the most impactful way possible. Our guide to [confronting the cost-of-living crisis](#) has proved to be one of our most popular resources.

Writing in the [Financial Times](#), our Chief Executive, [Dan Corry](#), made the case for a covid-style funder response. Meanwhile our Director of Consulting, [Angela Kail](#), discussed how we think funders can respond to the cost-of-living crisis in podcasts for [Third Sector](#), [Charity Chat](#), and [Philanthropisms](#).

We [published a guide for MPs](#) on working with charities during the cost-of-living crisis, which was linked to from W4MP.org (the main help-site for MP's staff). We also co-hosted a discussion with ERSA at the Conservative and Labour party conferences on the role of civil society in responding to crises.

Going forward, we intend to build on our cost-of-living response by focusing on social inequalities more broadly.

### Helping trustees adapt to an age of perma-crisis

For anyone tasked with managing risk and making decisions, the past few years have been one crisis after another. We think this calls for a new approach to trusteeship, in which we recognise change as a constant and adapt to it, rather than holding out for a return to business as usual.

We hosted a series of trustee seminars funded by the [Clothworkers Company](#), in which we helped trustees to focus on their mission, be open to change, use lived experience to shape how they make decisions, and look beyond their immediate focus by working with others as part of a systems strategy.

We compiled what we learnt into a guide to [being a trustee in an age of permacrisis](#), published shortly after year end.

### Case study: How philanthropists are using our advice

Philanthropist [Kate Symondson](#) wrote about how our advice is shaping her giving in an article for [Alliance Magazine](#), stressing the need for philanthropists to be open, flexible, and responsive.

Describing our cost-of-living philanthropy guide as comprehensive and practical, Kate shares how her family's foundation are helping charities not just to weather the storm, but to adapt, grow and thrive.



# We urge and embed more evidence-led impactful practice

Helping businesses and investors achieve greater social impact

Improve

## Putting the 'S' back into ESG

We're increasingly working with businesses who want to achieve a social impact. Alongside our client work on creating more impactful corporate-charity partnerships, we worked with PwC to present an [event and briefing](#) on the role of charities in delivering the social component of ESG. Social change is core to charities mission and what they excel at, which should make them natural leaders in ESG. To help charities assume this role, we developed guidance on why ESG is relevant, what charities should do, and what risks they need to watch out for.

## Case study: First Sentier Investors



First Sentier Investors is a global investment management business which supports a wide range of good causes through its philanthropic arm, the First Sentier Foundation. We helped the foundation to develop a global strategy and set up new grant-making and measurement practices.

We worked iteratively with staff and leadership from around the world to develop and refine several options and to discuss implications for the wider business. Once the strategy was finalised, we helped develop grant-making and measurement processes, providing critical friend support as the foundation developed new structures for governance and management, and we trained staff in how to use these new tools.

## Testing the assumptions that underpin impact investing

The incredible growth in impact investing has far surpassed the development of impact measurement practice, leaving the sector vulnerable without better and more transparent data.

We set out to test whether better impact practice, the standard proxy used in due diligence, translates into a better probability of impact achieved. We discovered that there is not enough consistent data in the public realm to prove either way. This matters because we owe it to the people and causes who are meant to be benefiting from impact investments, and to those paying for them, to make sure that they actually do make social and environmental returns.

We're calling upon major impact investors to publish the data they have on the impact of their investments and commit to collecting it in a consistent way—especially longitudinal impact data. This would improve our understanding of what makes an impact, and help investors achieve more for the causes that they care about.

# Case study



## Providing long-term philanthropy support

My journey in philanthropy started in 2008. NPC have been travelling and growing alongside me ever since.

I had a fairly clear idea that I wanted to use my business skills and internet experience, as well as my funds, to help local charities in the UK. I needed to find out more, and that was when I went to my first NPC conference. I learnt that if charities were too small to be registered, other online giving platforms did not accept them, nor could they claim Gift Aid. I knew people wanted to find and help charities in their local communities but struggled to find the charities. So, with NPC's support, I set up LocalGiving.

By 2016, LocalGiving was a valuable new income stream for local charities, as well as offering much needed digital skills training.

I had come to realise that researching and applying for grants was a major frustration and waste of time for charities. This led me to set up Brevio—a platform which automates grant research and the initial steps in grant applications, freeing up hundreds of millions of pounds lost to administration every year.

It's a challenge to make systemic changes in our sector, but I can honestly say that without NPC's [Tris Lumley](#) I would not have come so far. We share an obsession with the use of data in grant-making decisions. And that's another NPC strength: convening people to learn, discuss, and drive positive change. NPC has tackled topics such as funding digital innovation, theory of change, impact measurement and the ever-illuminating State of the Sector reports. And of course, the annual NPC Ignites conference; a regular meeting place of inspiration and learning for everyone who's anyone in the third sector.

So, my thanks to everyone at NPC! You've given me so much inspiration, encouragement, support, and fun over the years.

*Marcelle Speller, philanthropist, social entrepreneur, and former NPC trustee.*

# We develop innovative approaches, new tools, and resources

## Turning philanthropy inside out

### Open philanthropy

What if philanthropy could be more open? Open to the latest ideas, open to listening to others, and open to sharing what we've learnt? If we overcame the deep-seated power imbalances that exist in the philanthropic sector, how much more could we achieve?

Open Philanthropy is about funding in an inclusive and transparent way. Openness applies to how you design your fund, how you make your decisions, and how you evaluate your impact. We set out to test our theory that working in this way can bring multiple benefits. Over 18 months, we researched the field, designed a process, and quickly gave out over £570,000 of grants to charities helping people in financial hardship across the UK.

We published what we learnt in a [guide for funders](#) in how they can give in a more open and inclusive way. Our guide presents a radically different way to recruit grant-making panels, set the strategy, allocate funding, and share the results.

### Spotlight: Beyond competition

'A funding proposal is a knowledge process. You answer questions like: What's the problem you're trying to tackle? Why does it matter? What do you do to address it? How do you know it works? What do you need to do your work? And what then happens to all these answers after the foundation decides who to fund? Most of the time: nothing. The answers get scored. The winners get the prize. The knowledge gets thrown away.'

'How dare we ignore all the value in those answers? All the insight and possibilities in these processes? And if we don't have enough money to go around, why don't we think about what could be possible if we harness that knowledge, rather than burying it?'

'Instead of hosting a competition to pick winners, in isolation, as a way of dealing with not having enough money, bring the field together, with the structures to gather and honour different perspectives, collect, and synthesise experience and learning. Help everyone adopt the best models, learn from the approaches that help most. And then with the money you do have, make big bets. Not on individual organisations or interventions, but on whole approaches, or demographics, or places.'

*Tris Lumley, NPC's Director of Innovation and Development, speaking at the [Good Tech Fest](#) in Washington DC. Read the full speech at [thinknpc.org/blog/beyond-competition](https://thinknpc.org/blog/beyond-competition).*

# We develop innovative approaches, new tools, and resources

## Transforming evaluation

### Towards more equitable evaluation

Evaluation holds real power; it influences the direction of the social sector via the evidence it generates. Evaluation is not a neutral exercise. People's values and choices shape every aspect of it, from the purpose of the evaluation, to who it's for, and what conclusions are drawn. These biases too often go unacknowledged, yet directly impact the results and the decisions that flow from them.

Together with partners, we launched the Equitable Evaluation Collective to influence, generate momentum, and build a community of practice. We developed guidance for funders (published after year end) who recognise the importance of social justice and are committed to tackling inequity through the charities they support.

We are buoyed by the enthusiasm within the sector for this work and look forward to continuing to engage sector stakeholders as we investigate and share evidence of the need for change.

### Spotlight: Balanced evaluation

'Pretending there is a magic metric to decide between different causes is as dangerous as it is impossible. That is why charities will never be like the private sector, however much some say they should be. But that's not a reason to abandon the impact agenda and impact measurement.'

'We know we need to shift power in our sector—to be guided and led by the people we seek to serve. This is especially true for funders who are often a long way away from the frontline and for whom the power dynamics really do kick in and distort decisions. Some claim this means we drop everything we have known as it is all top-down, including the impact agenda and ways of assessing impact. I think that is fundamentally wrong and even dangerous.'

'To truly shift power, we need to blend the top-down with the bottom-up—not destroy the very concept of assessing impact. Balanced Evaluation is about being inclusive of users and communities, but blending these methods with top-down techniques, not throwing out top-down approaches all together.'

'Data matters, but the crucial thing is that users, the community, are involved in framing the questions that we use that data to answer and are an integral part of the evaluation work. The questions we ask need to be guided far more by those in the communities and households that services aim to help.'

*Dan Corry, NPC's chief executive, speaking at our NPC Ignites conference. Read the full speech at [thinknpc.org/blog/why-assessing-impact-remains-crucial](https://thinknpc.org/blog/why-assessing-impact-remains-crucial).*

# We develop innovative approaches, new tools, and resources

## Digital and data

### What does AI mean for charities?

Developments in AI have captured people's imagination and posed massive questions for the future of work. The charity and philanthropy sectors are not immune. We hosted a briefing event in which we discussed the [opportunities and challenges](#) posed by AI, and what charities can practically be doing about it right now. We're helping charities to learn what AI is and how they could use it, as well as helping charities to understand the risks to their organisation.

### Signpost+

When a young person needs help, how can they find it online? Information sharing between services is often poor. [Signpost+](#) is a collaborative programme working with communities, data folk, the social sector and beyond. Testing models, processes, and technology to ensure that young people find support when they need it. We are exploring how to improve the quality of life for young people and communities, and the value that technology and data can bring.

### Marking ten years of the Justice Data Lab—and the start of a new Employment Data Lab

This year marked the 10th anniversary of the Justice Data Lab, which we helped to set up with the Ministry of Justice. Since then, the data lab has produced 179 reports with over 50 criminal justice charities and won the Royal Statistical Society's award for 'Statistical Excellence in Official Statistics'.

We've continued to work with the government to develop more data labs, and we're delighted that an Employment Data Lab is now being launched.

*'I have used NPC resources extensively to shape how we approach impact measurement of our strategic goals.'*

**Survey Respondent**

# We use our data, voice, and convening power to influence the sector's thinking and put the sector and social inequalities higher in the minds of policy makers

## How government works with charities

### Building blocks of growth

As part of our ongoing work on the Government's Levelling Up agenda, we [investigated](#) the role of civil society in tackling inequalities, as well as the health of civil society, across the UK. We found that civil society is weakest in Levelling Up priority areas—with a third less local charitable activity than in the lowest priority areas. Worse, our data suggested that the gap has grown—with local charitable activity falling between 5% and 6% since 2018 (compared to less than 1% in wealthier places).

This matters because we also found that civil society can make people and places healthier and improve their education and skills—key building blocks of the local economic growth at the heart of the Levelling Up agenda. We're calling for greater support for civil society as an engine of growth to truly tackle regional inequalities across the UK—including through new targeted social investment zones, a social investment fund, and better evaluation of what programmes work.

This follows on from our successful lobbying on the UK Shared Prosperity Fund, through which we persuaded the government to bring the people and skills strand forward by a year—thereby preventing a post-Brexit cliff edge.

### Recognising social value in public procurement

Charities bring unique value to public services, yet we found that two thirds aren't paid enough to cover their costs—a situation which could soon become dangerously unsustainable as inflation pushes charity finances to breaking point. Based on our work with Kent County Council, we're [calling upon local authorities](#) to implement a definition of value for money which recognises social value and cost-savings. The best way to do this is by co-designing with charities, civil society, and businesses in their area to reflect local needs.

### Civil Society Satellite Account

We've been working with stakeholders to develop use cases for a new 'satellite account' for civil society, which would offer a new way to measure the value of civil society. We've taken the first step by consulting with government departments, charities, funders, academics, and other stakeholders, to set out what a first version of a civil society satellite account might look like.

# We use our data, voice, and convening power to influence the sector's thinking and put the sector and social inequalities higher in the minds of policy makers

Putting people at the heart of net zero

## Everyone's Environment

The environmental crises will not affect all people in the same way; some of the most disadvantaged and marginalised people are likely to be worst affected by our changing environment or related policy. Those impacts are poorly understood and [very few of the people affected have been included](#) in decision-making on how society responds. Charities and funders have a critical role to play in supporting and empowering different social groups to be part of the solutions today and moving forward.

We are [working with over 50 social and environmental charities](#) to empower people from the UK's diverse social groups to have a say on how we confront the climate and nature crises. We have published a series of briefings on how the climate and nature crisis and related policy will impact young people, older people, disabled people, and people from ethnic minority communities. These briefings have helped prompt a new way of thinking about the environment in the charity sector, with the launch being among our most popular events. We've since been hearing directly from people in these groups about what solutions they want to see.

# Celebrating 20 years of NPC

What does the future hold for charities and society?



## Charities and society

Sometimes it feels like charities are too absent from the big societal changes. What, for example, are charities doing about the impact of climate change on their beneficiaries? Or on the impact of technology? Or increasing inequality? Charities can't just concentrate on the issue at hand, they need broader ways of working.

Let's not forget that charities are part of society, which means they suffer the same problems as society. We can end up fostering discrimination as well as fighting it; contributing to climate change as well as arguing against it, so we mustn't be afraid to scrutinise our own behaviour.

Much of our thinking comes from outdated Victorian models. In a world where I seem to be asked to give my opinion on everything I consume, why are we still having to argue for the including users in decisions about what would work best for them?

We need to bring our ways of working up to date—be that investing more in digital, getting better governance, thinking about how to include users, or using data to make decisions about needs and impact.

This is where NPC is helping organisations adapt to the future. We're looking at how involvement can be meaningful, rather than tokenistic, how social investment can help the private sector be part of the change that we want to see in society, and how charities need to be insiders and outsiders, thinking about the system they are working in, and imagining how it can work better for people. I am looking forward to being part of that change, and I hope you will be too.

**Angela Kail, Director of Consulting**

Read the full essay and more [on our website](#).

# Celebrating 20 years of NPC



What does the future hold for charities and the state?



Our 20<sup>th</sup> anniversary essay series highlighted how deeply intertwined the relationship between government and the charity sector has become—and the real tensions that exist.

This tension is integral to a functioning democracy. But it can turn into something much more fractious and, arguably, destructive. Seeing the whole sector as political misses the many facets of the role charities play in society. So we need to lift ourselves out of the day to day politics and define very clearly our core role in society.

It's often said that charities are better at supporting people who face multiple disadvantage because those people have far greater trust in charities, than in government. We just do it better. Charities can also have better knowledge, intelligence and, sometimes, data on the different needs of people in different groups. And of course, charities support people from some of the most marginalised and ignored groups in society to have their voices heard.

Evidence to prove all this is sparse. This needs to change. We need to show whose lives we make better, where they are and

what we do. We need data and evidence of what changes we're making and what works.

We need a collective effort to focus on our core role and establish it. Because from there we can be clear to government how we want them to institutionalise those relationships across different departments to make them more productive.

We want to do our bit to make this happen. Through our focus on better intelligence and data, we want to help establish where the charity sector is better than public or private services and where it helps society in areas that other sectors just don't function.

Through our strong relationships with charities and funders, we want to work with the sector to help build a much more constructive relationship for the next 20 years and beyond.

**Leah Davis, Head of Policy and External Affairs**

Read the full essay and more [on our website](#).

# Celebrating 20 years of NPC



What does the future hold for philanthropy?



Despite much progress, the challenges philanthropy faces today are greater than twenty years ago. Many of the tools of the evidence trade have flourished—there is more data than ever, more analysis, more research. But, if anything, that data shows us that inequality is not falling, poverty in the UK is not being tackled, social justice is not yet being achieved, and climate change is not yet slowing. Meanwhile the increasing recognition of the role that power dynamics and inequalities play in how philanthropy itself works suggests that it's not the tools we use that matters, but the purpose we put them to and who decides what that should be. Philanthropists must be humbler, recognising the limited contribution that any one individual or institution can make, yet simultaneously more ambitious. You can only do this by working more collectively and connectedly—contributing your work to others and taking their work into your own.

Philanthropists and foundations will need to give away power (and money) faster than they continue to amass it. An important start is the people making decisions being representative of the

communities that they serve. But real equity would go far beyond this. Perhaps it would mean the dissolution of philanthropy, as foundations spend down to meet urgent challenges. Or perhaps philanthropists can play an ongoing and valuable role by using their autonomy to create a neutral space in which we can recognise and reconcile different interests.

Philanthropy is at a crossroads—torn between dreams of its purpose and the reality of its current identity. But we're confident that philanthropy can change, and that we can help it to do so. The future rests on how much it can change, how quickly, and whether it can still retain aspects that make it unique.

We at NPC will always be working hard to achieve the transformation philanthropy needs, seeking out pioneer's brave enough to explore and risk failure while learning how to transform.

**Tris Lumley, Director of Innovation and Development**

Read the full essay and more [on our website](#).

# Our year at a glance

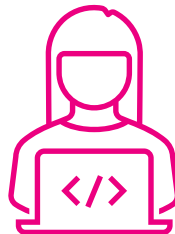


This year we've worked with 96 consulting and think tank clients, 52 of whom were repeat business.



We hosted 37 events, welcoming over 3,726 attendees. Many of our events continue to be free, which make them great for small charities.

Our website remains a popular source of free resources and think pieces with over 425,000 page views. Our social media following continues to grow with 29,500 total followers on Twitter/X in June 2023 and 1,996 new followers on LinkedIn during the year.



*'Consistent quality of support, training, and guidance'*

*'The implications of not having organisations like NPC in the sector would be highly detrimental.'*

**Survey Respondents**

# Financial review: 2022/23 results at a glance

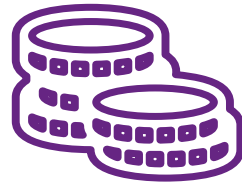
## Where our money comes from

62% from our consulting

22% from our funded think tank projects

14% from unrestricted donations

2% from events and other income



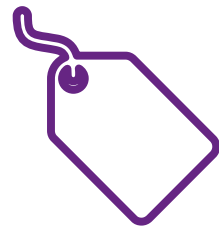
## How we spend our money

48% on consulting

36% on think tank research and advocacy

5% of raising funds

11% on events and communications



## Our reserves

Our free reserves and committed income cover approximately 8 months of planned expenditure. This is slightly higher than our reserved target reflecting continued uncertainty about the demand for consulting and think tank services and the propensity to give; rising costs; and an expected deficit in the financial year ending 30 June 2024.



**Our statement of financial activities for the year to 30 June 2023 is set out on page 41 of this report.**

# Financial review



The statement of financial activities for the year to 30 June 2023 is on page 42.

## Impact the cost-of-living crisis on our finances

We are very proud of how our staff are responding to the cost-of-living crisis—producing practical support and guidance to support the sector to do its job of helping people most affected. Nonetheless, the cost-of-living crisis combined with the ongoing war in the Ukraine creates financial pressure and an uncertain economic backdrop for us and the sector.

We have been cautiously optimistic in setting our budget for the year ahead and in our medium-term financial projections. We'll focus our income-generation where we can deliver the most impact, whilst flexing our cost base wherever possible. We believe this places us in a good position to continue to improve the sector whilst mitigating risks, such as the capacity for funders and individuals to fund think tank and innovation work; the demand for consulting services; rising costs; and the challenges of recruiting skilled people.

*'It's so good to have many free resources available online'*

**Survey respondent**

*'Ignites this year was a journey of discovery, an open and inclusive space to reflect of the sector challenges and explore the possibility and need for change in collaboration with knowledgeable and like-minded individuals.'*

**Event feedback survey respondent**

# Financial review, continued 1

**Total income for the year was £3,484,250, a decrease of 3% (2022: £3,593,418).**

- Consulting - £2,172,421: 3% higher than last year (2022: £2,113,944) mainly due to a slight increase in the number of clients.
- Think tank - £780,950: 13% lower than last year (2022: £899,948). The main reason is upfront receipt of a restricted grant received in 2021/22 to fund our Open Philanthropy programme.
- Unrestricted donations - £489,934: 10% lower than last year (2022: £545,508) mainly due to non-recurring donations received in 2021/22 in response to our 20<sup>th</sup> anniversary appeal.
- Communication and events - £28,496: 19% higher than last year (2022: £23,106). The main reason is funding for bursary places at events. All training and events remained online with cheaper tickets.

**Total expenditure for the year was £3,861,463, an increase of 28% (2022: £3,012,738). Year on year comparisons are affected by grants paid to other organisations. Excluding grants paid, total expenditure was £3,288,770, an increase of 10% compared to last year (2022: £3,002,738).**

- Staff - £3,861,463: 9% higher than last year (2022: £2,060,665), in part due to cost-of-living pay awards and in part due to a small increase in the size of team. On average during the year, we employed 51 people. Many of our staff work part-time, so our Full Time Equivalent is 42. (2022: 49 staff, 42 FTE).
- Partners and associates - £ 316,187: Payments to other individuals and organisations that we collaborate with to deliver our consulting and think tank work fell 34% compared to last year (2022: £482,534) mainly due to more skills brought in-house to deliver project-work.
- Premises - £224,965: 24% higher than last year (2022: £181,799) mainly due to the upfront cost of moving to smaller office space in anticipation of longer-term cost savings.

# Financial review, continued 2

## **Our reserves policy and unrestricted funds target**

At 30 June 2023, NPC had total reserves of £1,214,986 (2022: £1,592,199). Of these reserves £610,299 are legally restricted and £604,687 are unrestricted.

The trustees believe that committed income should be considered alongside unrestricted reserves when considering the adequacy of reserves. The trustees' aim for total unrestricted reserves and committed income to cover between 3 and 6 months of planned expenditure in the year ahead.

At 30 June 2023, NPC had unrestricted reserves of £604,687 (2022: £672,88) and £1,807,128 (2022: £1,541,462) of committed fees and unrestricted grant income. We expect average monthly expenditure in the year to 30 June 2024 to be £297,000. The total of unrestricted reserves and committed income will therefore cover approximately 8 months of budgeted expenditure. This is higher than our reserves policy but considered reasonable due to continued uncertainty about the demand for consulting and think tank services and the propensity to give, rising costs, and an expected deficit in the financial year ending 30 June 2024.

The trustees are confident that NPC has sufficient reserves and committed income to fund its planned activities.

## **Our approach to pay**

As the leading think tank and consultancy for the charity sector, we aim to attract staff from the not-for-profit sector as well as the public and private sectors—and to pay our people accordingly. Pay is reviewed at least annually, in accordance with our [published pay policy](#) which encompasses recruitment & retention, affordability, performance, proportionality and transparency. We are an accredited Living Wage employer. We do not hire unpaid interns, and staff at all levels have access to the same benefits, including pensions.

## **Our trading subsidiary**

The charity has a wholly-owned trading subsidiary, NPC Trading Limited. The company did not trade during the years ended 30 June 2023 or 30 June 2022.

# Our structure, management, and governance



NPC is a charitable company limited by guarantee. Each of our trustees have agreed to contribute up to £1 towards the assets of the company in the event of it being wound up. We were incorporated on 2 July 2001 and registered as a charity on 27 March 2002. Our trustees are the directors of the company and seek to adhere to the principles set out in the [Charity Governance Code](#).

## Our trustees

We have an experienced and committed board contributing a range of perspectives and expertise. Our trustees set clear strategic goals, agreed annually along with performance targets, with progress reviewed at each meeting. Our trustees believe that people with different perspectives and experiences will bring new ideas, robust debate, better decisions and better impact. Our trustees regularly assess their own performance and complete a skills assessment to direct training, support, and recruitment. New trustees go through an induction programme. Individual trustees may get involved in areas outside of board meetings according to their skills, experience and interests.

## Our management and staff

Day-to-day activities are led by our chief executive, Dan Corry. Dan is responsible for developing strategies, products, and services within overall guidelines and policies set by the trustees. He is responsible for representing NPC externally and for ensuring that [our values](#) are communicated and observed in our working practices.

Dan is supported by our senior management team—the chief operating officer, the director of research and consulting, the director of innovation and development, the head of communications, the head of policy, and an HR consultant—and our staff. During the year ended 30 June 2023, we employed an average of 51 employees, of whom many worked part-time, giving 42 full-time equivalent employees. More detail is provided in note 8 to the financial statements.

Our most recent staff engagement survey was completed by 91% of staff. 88% of respondents said NPC is a good or very good place to work.

# Our structure, management, and governance, continued 1

## Conduct at work

Transparency and trust are critical to public confidence in the charity sector. At NPC we strive to uphold high standards and behaviour in all we do, recognising that this requires a commitment to continual learning and improvement.

Our [code of conduct](#) sets out our expectations of all staff, trustees, and associates. The code is centred around four principles: professional competence and behaviour, ethical standards and integrity, representing NPC and the sector, and working with others. Our code is underpinned by our policies on [diversity, equity, and inclusion, harassment and bullying](#); [whistleblowing](#), and [complaints](#), all of which are published on our website.

We encourage all staff to speak up when they think something is wrong. Staff may speak confidentially to their line manager, a member of the senior management team, our HR and Facilities Manager, our independent HR consultant, or a trustee. Staff may also speak to [Protect](#), an independent whistleblowing charity.

## Our approach to safeguarding

Much of our work involves communicating with the public and working directly with individuals and organisations to help them use their resources more effectively. This can include interaction with at-risk people, in person, online, or in another forum.

We recognise that:

- The welfare of our direct and indirect beneficiaries is paramount.
- Everybody should be kept safe from harm regardless of age, disability, gender, racial heritage, religious belief, economic status, sexual orientation or identity.
- Some people will require more protection due to their age, level of dependency, previous experiences, or other issues.

Our [safeguarding policy](#) sets out our expectations and provides guidance to staff on how to identify and assess safeguarding risk at activity inception, designing and implementing appropriate actions to mitigate safeguarding risk, monitoring safeguarding risk throughout, and how to report and respond to any concerns.

# Our structure, management, and governance, continued 2



## Our approach to the environment

We acknowledge that our activities have an effect on the environment, so we are committed to improving our environmental impacts through our operations and by encouraging our staff to adopt sustainable practices and behaviours whilst at work.

We adhere to the following principles to reduce our environmental impact:

- Avoiding unnecessary energy consumption.
- Reducing waste.
- Avoiding harmful chemicals used in cleaning products.
- Avoiding unnecessary travel and, when required, travelling by the lowest carbon means possible.
- Working with suppliers that provide products and services with low or positive environmental impacts as far as possible, while balancing expense and productivity.
- Promoting environmental policies and practices throughout NPC.

We recognise that this is an evolving area with new products and practices becoming available, so we continue to identify potential opportunities for further improvement. More detail is available in our [environment policy](#).

Annually we estimate our carbon emissions and offset by purchasing carbon credits. We fully offset our CO<sub>2</sub>e of 38.41 tonnes for the calendar year ended 31 December 2022.

## Helping the sector

As well as looking at our own practices, we've launched the [Everyone's Environment](#) programme with over 50 social and environmental charities to put people at the heart of confronting the climate and nature crises.

We're working with charities in the social and environmental sectors to gather evidence of the impact that the environmental crises will have on different social groups, hear directly from people in these groups about what environmental solutions they want to see happen, and bring social and environmental charities together to address barriers to action and find common ground on policies.

# Our structure, management, and governance, continued 3



## Our approach to improving diversity, equity and inclusion

NPC seeks to maximise the impact of the charity sector; a sector that works to champion those most vulnerable and under-represented in society. Diversity, equity and inclusion is mission-critical, so we strive to embed it into all aspects of our work, both external and internal.

We believe diversity extends beyond the protected characteristics identified in the Equality Act (age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation) and includes other factors such as economic and educational background and immigration status. We believe equity and inclusion are feelings, not statistics, that apply to all.

What does it mean to incorporate DEI principles into how we work? There is no easy answer, but we have made a long-term commitment to a continuous process, centred around four themes that encompass all aspects of our work: (1) embedding DEI into our consulting work, (2) using our influence in the charity sector, (3) embracing a listening and learning culture, and (4) transparency.

Each theme is underpinned by objectives, which we adjust as we learn. Each

objective is owned by a member of the senior management team, with progress reported against at each trustee meeting. In the coming year we plan to take stock and refresh our 3-year objectives. You can read more about each and our experience to-date on our website and, as part of the transparency theme, we continue to publish our staff equal opportunities data, including our gender and ethnic pay gaps (see below).

Success for us will be when applying a diversity, equity and inclusion lens is just what we do, in every aspect of our work, every day. We still have a lot to learn and we're eager to keep facing up to the task in hand.

## Gender and ethnic pay gaps

As at 31 March 2023, our mean gender pay gap was £0.87 (2022: £4.60) and our median gender pay gap was -£0.26 (2022: £0.20). Our mean ethnic pay gap was £3.61 (2022: £1.16) and the median ethnic pay gap was £3.37 (2022: -£1.03). The main year-on-year changes are more men in the lowest quartile and more staff from ethnic minority backgrounds in the lowest two quartiles.

# Our structure, management, and governance, continued 4

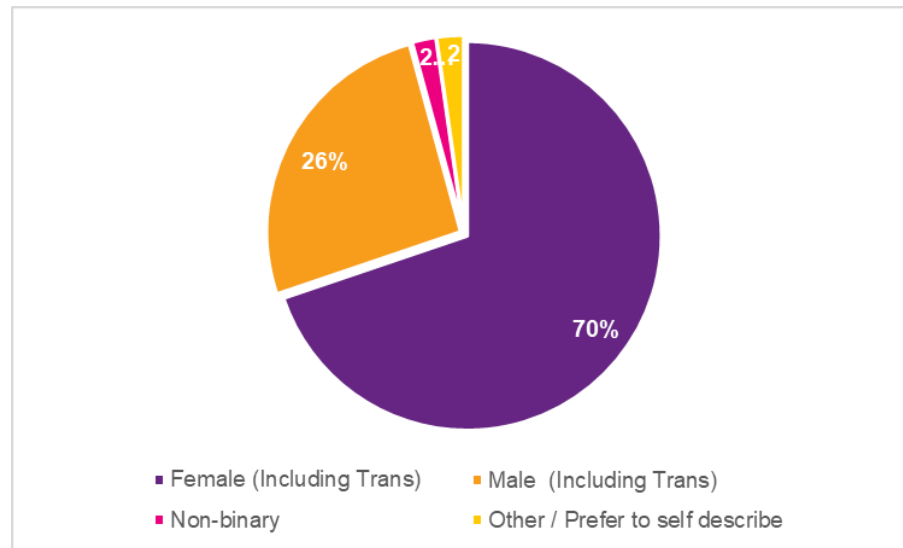
## Equal opportunities data

For simplicity, we have only presented here the options for which at least one person selected. Answers which nobody selected have been omitted.

Source: staff DEI survey, November 2023, ~81% response rate / Sector benchmark: [UK Civil Society Almanac 2023 | NCVO](#) / National Average: [Census - Office for National Statistics \(ons.gov.uk\)](#)

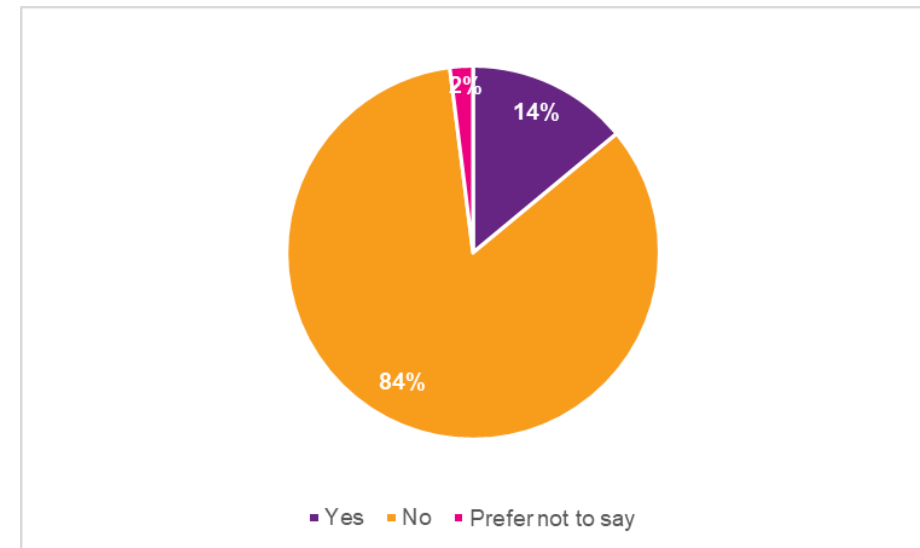
### What is your gender identity?

Sector benchmark: 67% Female



### Is your gender identity different to that assigned at birth?

National average: 93.50% No

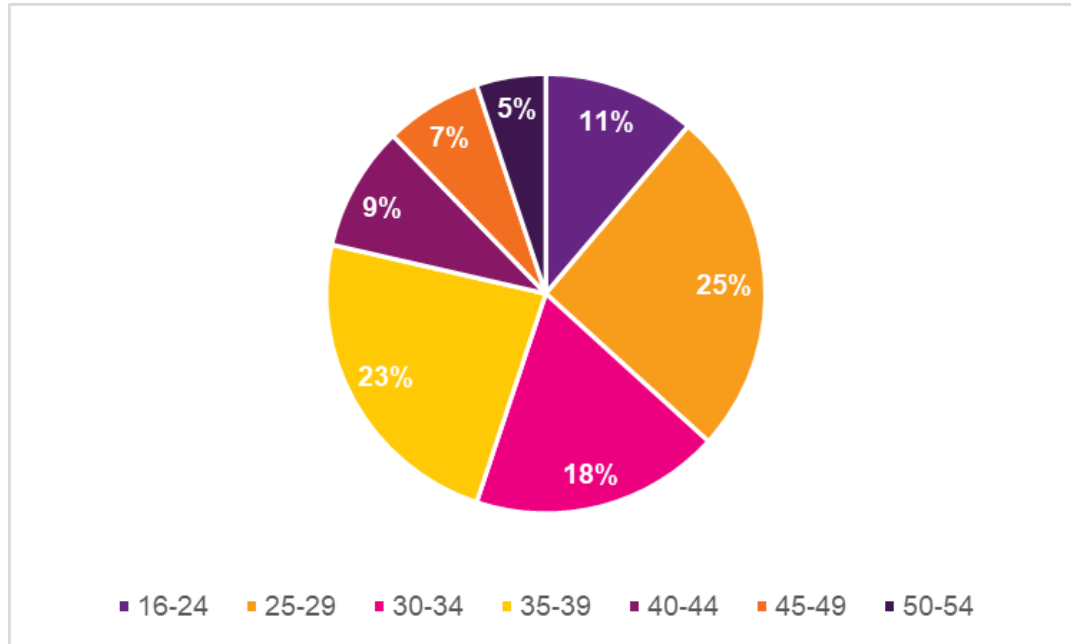


# Our structure, management, and governance, continued 5

Equal opportunities data, continued

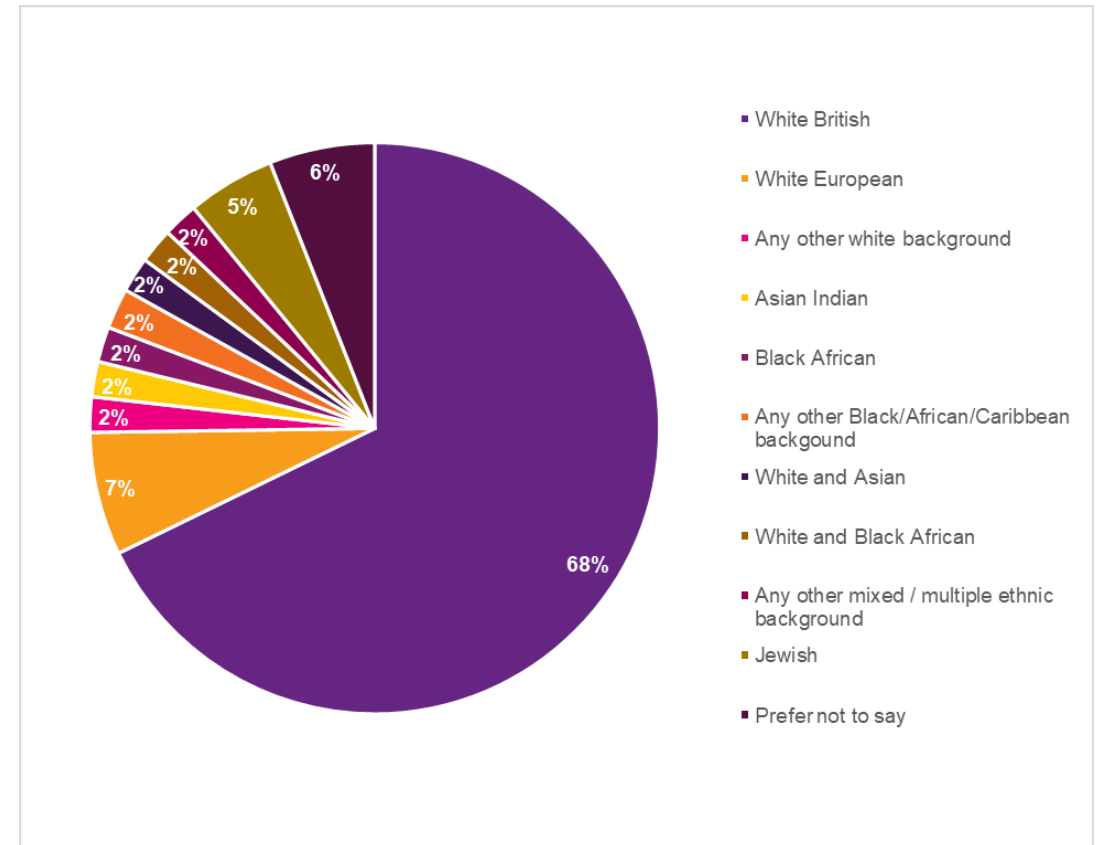
## What is your age?

Sector benchmark: 29% aged 16-34



## What is your ethnicity?

Sector benchmark: 10% ethnic minority

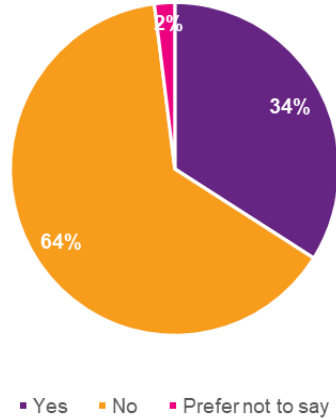


# Our structure, management, and governance, continued 6

Equal opportunities data, continued

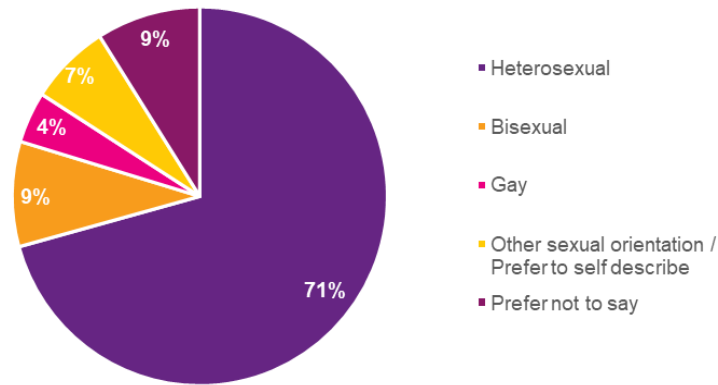
## Are you married or in a civil partnership?

National average – 46.90% Yes

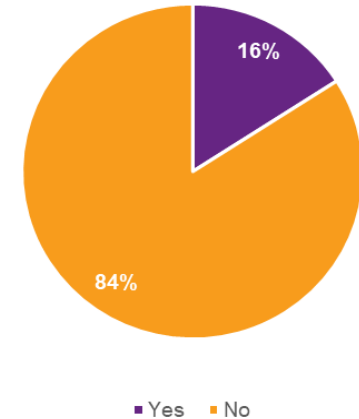


## What is your sexual orientation?

National average – 89.40% Heterosexual



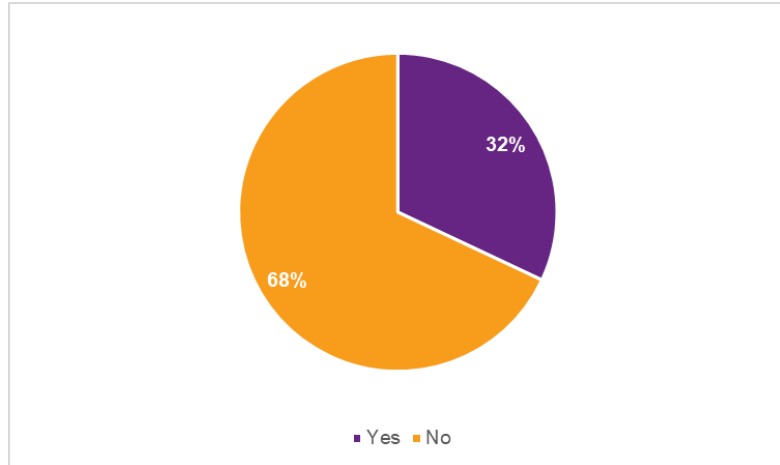
## Do you consider yourself to have a disability and/or learning difficulty?



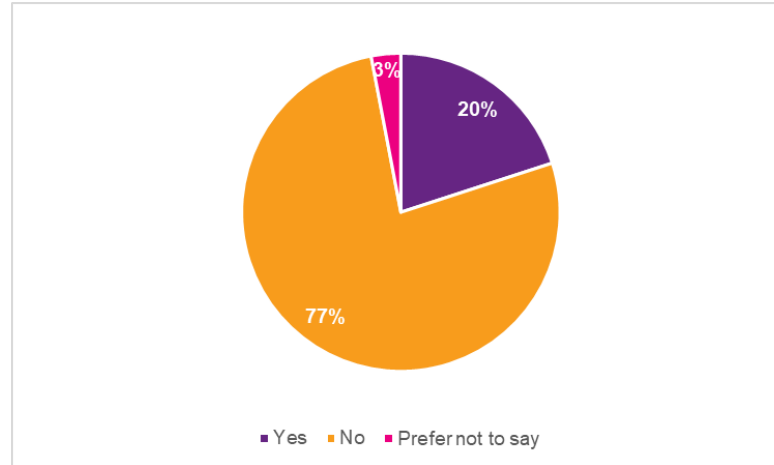
# Our structure, management, and governance, continued 7

Equal opportunities data, continued

Do you consider yourself to have a health condition and/or mental health condition?



Do you consider yourself to be neurodivergent?



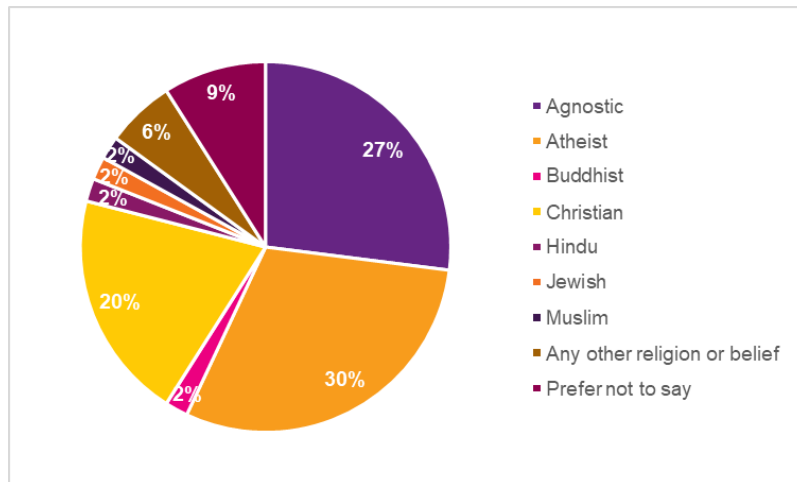
Do you consider yourself D/deaf or to have hearing loss?



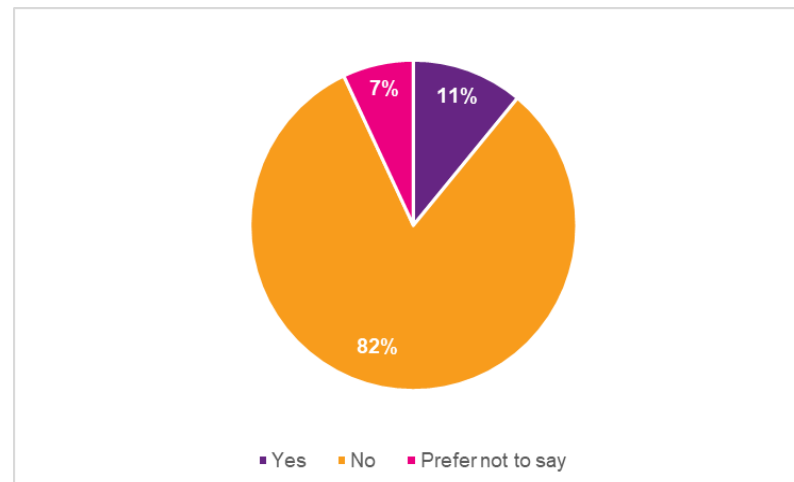
# Our structure, management, and governance, continued 8

Equal opportunities data, continued

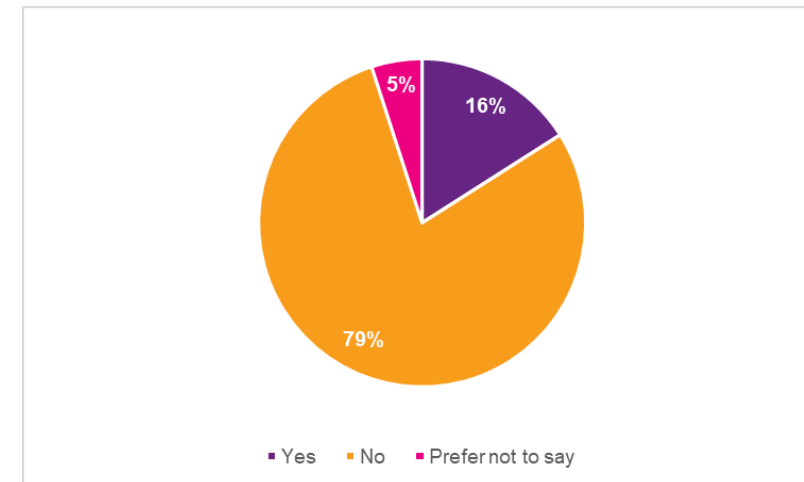
### What is your religion or belief?



### Do you consider yourself to be a first generation or recent migrant to the UK?



### Do you consider yourself to be economically or educationally disadvantaged?



# Our structure, management, and governance, continued 9

## Our approach to cyber security

Robust cyber security is essential; it protects our ability to provide services on a day-to-day basis and allows us to promote efficient and effective working practices.

Cyber-crime is an ever-present and increasing threat for all organisations. We hold [Cyber Essentials Plus](#) accreditation, a government-backed scheme that provides us, our clients, and our other stakeholders with assurance that we have taken sensible steps to mitigate exposure to the most common cyber-attacks, such as staff training and awareness alongside IT controls.



*'NPC's insight, experience and practical advice is helping us to re-focus our organisation so we can continue to improve our approach to achieving outcomes that matter to people.'*

Louise Russell

Head of Strategy and Planning, Diabetes UK

# Our structure, management, and governance, continued 10

## Our approach to risk

NPC has a risk management process to enable the trustees and management to assess risks and devise and implement strategies and controls to mitigate or address them. Our risk register is reviewed regularly by the senior management team and annually by trustees.

The board considers the following to be high-risk areas:

### Consulting and/or think tanks activities are not financially sustainable

- We're protecting our capacity to develop new business.
- We maintain close relationships with principal clients and funders, both existing and prospective.
- We decide tactically what to bid and tender for. We seek feedback after bids and tenders and at end of project work.
- We continually refresh our content to remain relevant, including new content to test in market.
- We're developing new markets, such as corporates.
- We're staying up to date with competitor activities, products, and pricing.

- We set and monitor key performance indicators.
- We're increasing the flex in our cost base to enable timely scaling of resources to match demand.
- We're providing training & support to staff to optimise our internal working practices..

### Not meeting unrestricted funding targets

- We have a clear fundraising proposition centred around our desire to innovate, influence and improve.
- We have regular conversations with existing and prospective donors.
- We use our networks to raise our profile amongst potential funders.
- We recruit colleagues with fundraising experience and partner with others.

# Our structure, management, and governance, continued 11

## Unable to recruit and retain the best talent from diverse backgrounds

- We regularly review salaries, seeking to balance the rising cost-of-living for staff with what is possible for the organisation.
- We've refreshed our benefits package, focusing on those that help with day-to-day living costs and are relevant in a hybrid working environment.
- We're proactively helping our staff to learn and develop.
- We're improving how we recruit, including working with organisations that facilitate work placement opportunities for individuals from under-represented groups.
- We have an active associate and partner network.

## Reputational damage if we fail to meet expected standards

- Our Code of Conduct sets out the standards we expect from our trustees, staff, associates and other stakeholders.
- We've published our policies on diversity, equity and inclusion, safeguarding, harassment and bullying, whistleblowing and complaints. This is supplemented by an internal Staff Handbook.
- Our diversity, equity and inclusion improvement plan has been agreed with trustees and progress is monitored at each board meeting. We're reviewing and

refreshing this plan.

- Our internal well-being hub signposts resources to support staff, including access to independent HR support and advice.

## Loss of relevance and impact if we were unable to respond to emerging trends

- We're centring our efforts around inequalities, environment, philanthropy, and data and digital.
- We're using our government and cross-sector networks to be a voice for the sector.
- We're seeking to influence party manifestoes in the run up to a general election.
- We're continually improving our communication.
- We work with associate and partnership networks on a range of topics.
- Our staff continue to develop their skills.

# Statement of responsibilities of the trustees

The trustees (who are also directors of New Philanthropy Capital for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are

also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report of trustees has been prepared in accordance with the special provisions applicable to companies' subject to the small companies' regime.

Approved by the trustees on 5 December 2023 and signed on their behalf by:

**Vaughan Lindsay, Chair**

# Independent auditor's report to the members of NPC



## Opinion

We have audited the financial statements of New Philanthropy Capital for the year ended 30 June 2023 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2023 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

# Independent auditor's report to the members of NPC, continued 1



## **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement [set out on page 35, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can

arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company law and charity law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2022.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the misstatement of revenue and the override of internal controls. Audit procedures performed by the engagement team included:

# Independent auditor's report to the members of NPC, continued 2



- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluation management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, with particular consideration for journal entries posted with unusual account combinations, posted by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:

[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Richard Weaver (Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditor

Date:

10 Queen Street Place London EC4R 1AG

# Financial statements: Statement of financial activities

(Incorporating an Income and Expenditure Account) – For the year ended 30 June 2023

	Notes	Unrestricted Funds (£)	Restricted Funds (£)	2023 Total (£)	2022 Total (£)
<b>Income from</b>					
Donations and legacies	2	489,934	-	<b>489,934</b>	545,508
Charitable activities					
Consulting	3	2,042,806	129,615	<b>2,172,421</b>	2,113,944
Think tank	3	-	780,950	<b>780,950</b>	899,948
Communication & events	3	28,496	-	<b>28,496</b>	23,106
Other income		10,493	-	<b>10,493</b>	10,798
Investments		1,956	-	<b>1,956</b>	114
<b>Total income</b>		<b>2,573,685</b>	<b>910,565</b>	<b>3,484,250</b>	<b>3,593,418</b>
<b>Expenditure on</b>					
Raising funds		202,783	-	<b>202,783</b>	236,590
Charitable activities					
Consulting		1,642,318	184,864	<b>1,827,182</b>	1,673,860
Think tank		353,801	1,034,718	<b>1,388,519</b>	719,268
Communication & events		442,979	-	<b>442,979</b>	383,020
<b>Total expenditure</b>	4	<b>2,641,881</b>	<b>1,219,582</b>	<b>3,861,463</b>	<b>3,012,738</b>
<b>Net (expenditure)/income for the year</b>		<b>(68,196)</b>	<b>(309,017)</b>	<b>(377,213)</b>	<b>580,680</b>
<b>Balance brought forward at 1 July</b>		<b>672,883</b>	<b>919,316</b>	<b>1,592,199</b>	<b>1,011,519</b>
<b>Balance carried forward at 30 June</b>		<b>604,687</b>	<b>610,299</b>	<b>1,214,986</b>	<b>1,592,199</b>

All of these results are derived from continuing activities; all gains and losses recognised in the year are included.

Movements in funds are disclosed in note 18 to the financial statements.

Detailed comparatives for the Statement of Financial Activities are disclosed in note 21 to the financial statements.

# Financial statements: Balance sheet

For the year ended 30 June 2023

	Notes	2023 (£)	2022 (£)
<b>Tangible fixed assets</b>			
Investments	11	1	1
Fixed Assets	13	80,349	21,100
Rent Deposit		40,800	-
<b>Current assets</b>			
Debtors and prepayments	14	741,158	538,748
Cash at bank and in hand		925,790	1,535,268
		<b>1,666,948</b>	2,074,016
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15,16	(558,112)	(502,918)
<b>Net current assets</b>		<b>1,108,836</b>	1,571,098
Creditors: amounts falling due in more than one year	16	(15,000)	-
<b>Net assets</b>		<b>1,214,986</b>	1,592,199
<b>Funds</b>			
<b>Unrestricted funds</b>		604,687	672,883
<b>Restricted funds</b>		610,299	919,316
<b>Total funds</b>		<b>1,214,986</b>	1,592,199

The financial statements were approved and authorised for issue by the trustees on 5 December 2023 and signed on their behalf by:

**Vaughan Lindsay**  
**Chair**  
**Company No: 4244715**

# Financial statements: Cash flow statement

For the year ended 30 June 2023

Cash flow statement	2023 (£)	2022 (£)
<b>Net income</b>	<b>(377,213)</b>	580,680
Adjustments for:		
Depreciation	<b>22,906</b>	10,529
Interest income	<b>1,956</b>	114
Decrease in debtors	<b>(243,210)</b>	95,819
(Decrease) in creditors	<b>70,194</b>	(163,119)
<b>Net cash provided by operating activities</b>	<b>(525,367)</b>	524,023
<b>Cash flow from investing activities</b>		
Investment income—bank interest	<b>(1,956)</b>	(114)
Purchase of tangible fixed assets	<b>(82,155)</b>	(20,724)
<b>Net cash used in investing activities</b>	<b>(84,111)</b>	(20,838)
<b>Change in cash and cash equivalents in the year</b>	<b>(609,478)</b>	503,185
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,535,268</b>	1,032,083
<b>Cash and cash equivalents at the end of the year</b>	<b>925,790</b>	1,535,268

# Financial statements: Notes

For the year ended 30 June 2023

## 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the financial statements.

### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)—(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (January 2019) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees have made this assessment for a period of at least

one year from the date of approval of the financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on donation and income from investments. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### b) Public Benefit Entity

In reviewing NPC's aims and planning future activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. Our vision and mission show that NPC is committed to helping charities and funders to achieve a greater impact. Our beneficiaries are therefore anyone helped by charities and funders—that is, the public at large.

All our activities contribute to our strategic aims and are for the benefit of the public. This report has set out NPC's activities and achievements and illustrates how they benefit charities and funders. By helping charities and funders to achieve a greater impact, we ultimately help the people that these charities and funders serve. The charitable company meets the definition of a public benefit entity under FRS 102.

# Financial statements: Notes continued 1

For the year ended 30 June 2023

## c) Income

All income is included in the statement of financial activities (SOFA) when it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Donations are recognised when received. Legacies and gifts are taken into account on a receivable basis, but only when capable of exact financial measurement.

Consulting fees are charged for research projects, provision of training and provision of information. These fees are recognised when receivable. Fees are receivable when the consultancy service has been provided by NPC. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred.

Grants are received to carry out research activities. These grants are recognised as income when they become receivable. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred.

## d) Grant-making

Grants payable are classified as charitable expenditure. Grants payable are charged in the year that they are agreed by the trustees and with the recipient organisation. The value of

any such grants unpaid at the year end is accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments.

## e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function and costs incurred in connection with the compliance with constitutional and statutory requirements, is apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity:

Fundraising	8%
Think tank	22%
Consulting	58%
Communications	11%
Governance	1%

Irrecoverable VAT is apportioned on the same basis as central costs.

# Financial statements: Notes continued 2

For the year ended 30 June 2023

## f) Expenditure on raising funds

Expenditure on funds relate to the costs incurred by the charitable company in developing relationships with third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

## g) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £5,000 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Computer equipment:	over 3 years
Computer software:	over 3 years
Furniture and fixtures:	over 5 years
Office equipment:	over 5 years
Fit out:	over 3 years

Leasehold improvements over the life of the lease

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

## h) Fund accounting

Funds held by the charity are either:

Restricted funds—these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Unrestricted funds—these are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

## i) Pension

The charity operates a defined contribution pension scheme through Aegon Scottish Equitable for all employees completing six months' service. Membership of the scheme is not compulsory. Pension costs charged to the SOFA represent the contributions payable by the charity in the year.

# Financial statements: Notes continued 3

For the year ended 30 June 2023

## j) Leases

Operating lease rentals are charged to the SOFA on a straight-line basis over the period of the lease.

## k) Taxation

The charity is exempt from taxation on its charitable activities.

## l) Investments

The investment in the subsidiary is being held at cost.

## m) Financial instruments

Financial assets, such as cash and debtors, are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables.

Financial liabilities, such as trade creditors, loans and finance leases, are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of NPC after deducting all of its liabilities.

## n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade

discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

## o) Cash

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

# Financial statements: Notes continued 4

For the year ended 30 June 2023

## q) Judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The items in the accounts where these judgements and estimates have been made include estimating the value of work in progress at the period end based on the percentage of work completed.

## r) Statutory information

New Philanthropy Capital is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 2<sup>nd</sup> floor, 93 Great Suffolk Street, London SE1 0BX.

## 2. Donations and legacies

	2023 (£)	2022 (£)
Unrestricted grants	<b>243,041</b>	244,883
Supporters' circle and individual donations	<b>246,893</b>	300,625
<b>Total</b>	<b>489,934</b>	545,508

All income from donations and legacies was unrestricted. Total donations and unrestricted grants received from trustees was £62,500 including gift aid (2022: £191,115) this was made up of trustee donations through the Supporters' Circle, individual donations and unrestricted grants.

NPC would also like to thank Oak Foundation, Monday Charitable Trust, Mohn Westlake Foundation, Allan & Gill Gray Philanthropies and Tuixen for their unrestricted grants in support of NPC. This funding was invaluable to allowing NPC to continue delivering to our mission.

# Financial statements: Notes continued 5

For the year ended 30 June 2023

## 3. Restricted revenue

		2023 (£)	2022 (£)
<b>Think tank</b>			
MBL	Comic Relief	-	4,960
	Paul Hamlyn Foundation	-	20,000
	Esmee Fairbairn Foundation	-	60,000
	London Borough of Lambeth	<b>8,500</b>	-
State of the Sector	Charity Aid foundation	<b>109,850</b>	-
Everyone's Environment	City Bridge Trust	<b>51,500</b>	-
	Children in Need	<b>47,650</b>	-
	Garfield Weston Foundation	<b>40,000</b>	-
	William Grant Foundation	<b>75,000</b>	-
	John Ellerman Foundation	-	20,300
Centred Living Experience	City Bridge Trust	<b>35,000</b>	-
Innovations in Philanthropy	John Stares	<b>15,000</b>	-
Local Needs Databank	The Health Foundation	<b>19,000</b>	-
Open Philanthropy	Allan & Gill Gray Philanthropies	-	731,293
	Paul Traina via Friends of NPC	-	28,396
Data Lab	Gatsby Foundation	<b>6,000</b>	10,000
Signpost+	Nominet Trust	<b>350,000</b>	25,000
Levelling Up	UBS Optimus	<b>23,450</b>	-
<b>Total think tank</b>		<b>780,950</b>	<b>899,948</b>

		2023 (£)	2022 (£)
<b>Consulting</b>			
Trustee seminars	Clothworkers' Foundation	<b>37,740</b>	22,500
Big Questions in Classrooms	Templeton World Charity Foundation	-	85,873
Bucks Place Based Data Lab	Rothschild Foundation	-	11,300
Care Leavers Landscape Report	The Master Charitable Trust	-	17,275
Changemakers Funding Programme	Comic Relief	<b>91,875</b>	68,250
<b>Total consulting</b>		<b>129,615</b>	<b>205,198</b>

		2023 (£)	2022 (£)
<b>Communications &amp; events</b>			
Bursary places at events	Barrow Cadbury	-	2,000

		2023 (£)	2022 (£)
<b>Total restricted revenue</b>		<b>910,565</b>	<b>1,107,146</b>

# Financial statements: Notes continued 6

For the year ended 30 June 2023

## 4. Expenditure

	Fundraising (£)	Consulting (£)	Think tank (£)	Communication & events (£)	2023 Total (£)	2022 Total (£)
Staff costs	147,298	1,328,452	472,055	348,806	<b>2,296,611</b>	2,054,810
Travel & subsistence	860	7,421	7,596	1,751	<b>17,628</b>	5,498
Recruitment & training	200	10,481	2,126	5,419	<b>18,226</b>	6,034
Partners & associates	7,392	150,796	157,099	900	<b>316,187</b>	482,534
Subscriptions, publications & data sources	346	2,684	951	1,195	<b>5,176</b>	7,083
IT, telecoms & equipment	273	16,247	3,244	11,159	<b>30,923</b>	17,920
Printing & Distribution	-	330	59	111	<b>500</b>	210
Marketing & PR	1,045	1,230	4,213	14,272	<b>20,760</b>	10,689
Grant-making (note 5)	-	-	572,693	-	<b>572,693</b>	10,000
Group & Steering group costs	-	-	25,896	-	<b>25,896</b>	-
Other direct costs	1,275	(316)	24,991	-	<b>25,950</b>	14,516
<b>Governance</b>						
Staff costs—governance	483	3,397	1,289	652	<b>5,821</b>	5,837
Audit fees	1,229	8,637	3,278	1,654	<b>14,798</b>	11,350
<b>Other support costs</b>						
Other staff & recruitment cost	5,841	41,047	15,578	7,864	<b>70,330</b>	41,752
Consultants & temp staff	3,424	24,066	9,134	4,611	<b>41,235</b>	29,295
Premises costs	18,684	131,296	49,830	25,155	<b>224,965</b>	181,799
Other office costs	2,002	14,073	5,340	2,696	<b>24,111</b>	25,238
Website & IT	5,873	41,269	15,662	7,907	<b>70,711</b>	50,933
Legal & professional	3,026	21,260	8,069	4,073	<b>36,428</b>	35,324
Bank charges & foreign exchange (gains)/losses	(69)	(483)	(184)	(93)	<b>(829)</b>	(6,153)
VAT	1,536	10,791	4,095	2,068	<b>18,490</b>	17,540
Depreciation	2,065	14,504	5,505	2,779	<b>24,853</b>	10,529
<b>Total expenditure</b>	<b>202,783</b>	<b>1,827,182</b>	<b>1,388,519</b>	<b>442,979</b>	<b>3,861,463</b>	3,012,738
<b>Total expenditure 2022</b>	<b>236,590</b>	<b>1,673,860</b>	<b>719,268</b>	<b>383,020</b>		3,012,738

# Financial statements: Notes continued 7

For the year ended 30 June 2023

## 4. Expenditure, continued – prior year

	Fundraising (£)	Consulting (£)	Think tank (£)	Communication & events (£)	2022 Total (£)
Staff costs	172,773	1,160,078	417,948	304,011	<b>2,054,810</b>
Travel & subsistence	305	2,852	2,071	270	<b>5,498</b>
Recruitment & training	504	2,871	1,001	1,658	<b>6,034</b>
Partners & associates	28,476	261,749	188,629	3,680	<b>482,534</b>
Subscriptions, publications & data sources	1,135	1,998	1,313	2,637	<b>7,083</b>
IT, telecoms & equipment	264	826	382	16,448	<b>17,920</b>
Printing & Distribution	-	8	2	200	<b>210</b>
Marketing & PR	-	553	1,649	8,487	<b>10,689</b>
Grant-making (note 5)	-	-	10,000	-	<b>10,000</b>
Other direct costs	52	11,788	2,676	-	<b>14,516</b>
<b>Governance</b>					
Staff costs—governance	481	3,354	1,358	644	<b>5,837</b>
Audit fees	929	6,492	2,629	1,300	<b>11,350</b>
<b>Other support costs</b>					
Other staff & recruitment cost	3,423	23,920	9,687	4,722	<b>41,752</b>
Consultants & temp staff	2,403	16,783	6,796	3,313	<b>29,295</b>
Premises costs	14,907	104,154	42,177	20,561	<b>181,799</b>
Other office costs	2,069	14,460	5,855	2,854	<b>25,238</b>
Website & IT	4,176	29,181	11,816	5,760	<b>50,933</b>
Legal & professional	2,896	20,237	8,195	3,996	<b>35,324</b>
Bank charges & foreign exchange (gains)/losses	(505)	(3,525)	(1,428)	(695)	<b>(6,153)</b>
VAT	1,438	10,049	4,069	1,984	<b>17,540</b>
Depreciation	864	6,032	2,443	1,190	<b>10,529</b>
<b>Total expenditure</b>	<b>236,590</b>	<b>1,673,860</b>	<b>719,268</b>	<b>383,020</b>	<b>3,012,738</b>
<b>Total expenditure 2021</b>	<b>255,943</b>	<b>1,517,286</b>	<b>796,575</b>	<b>325,389</b>	

# Financial statements: Notes continued 8

For the year ended 30 June 2023

## 5. Grant-making

Grants of £10,000 or over were made to the following organisations:

	2023 Total (£)	2022 Total (£)
The Institute of Philanthropy	-	10,000
Achieved Dreams	11,000	-
Amazing Graze	10,000	-
Barking and Dagenham Youth Dance	14,080	-
Be Enriched	10,000	-
Benefit Advice Shop	10,000	-
Beneficence	11,000	-
Better Together Community Support Group	15,000	-
Bridging the Gap	10,000	-
Buttle UK	15,650	-
Central & West Integration Network SCIO	10,000	-
Centre for Social Inclusion	14,976	-
Disability Huntingdonshire	10,000	-
Exeter Communities Together	11,000	-
First Step North East	14,957	-
Friends of Romano Lav	14,550	-
GESIPR	15,000	-
Greggs Foundation	15,650	-
Hope for the Young	15,000	-

	2023 Total (£)	2022 Total (£)
Ignite Life	10,000	-
Lighthouse - Supporting Women Through Stormy Times	11,000	-
Living Keys	10,450	-
Migrant Workers Sefton Community	10,000	-
Moulsecoomb Community Market	10,000	-
My Sisters Place	15,650	-
New Neighbours Together	15,000	-
Nigerian Community Association Merseyside	10,602	-
Period Power	11,000	-
Say It Loud Club	15,000	-
Skills Enterprise	10,000	-
South Yorkshire Refugee Law & Justice	10,000	-
Teaching Staff Trust	15,650	-
Turn2Us	15,650	-
The Family Fund Trust	15,650	-
Together Engage Encourage Support	15,000	-
Uniform Recycling Scheme	15,000	-
United to Assist Refugees UK	10,450	-
Women's Trust	15,650	-
Grants < £10,000	103,078	-
<b>Total grants</b>	<b>572,693</b>	<b>10,000</b>

# Financial statements: Notes continued 9

For the year ended 30 June 2023

## 6. Net movement in funds for the year

This is stated after charging:

	2023 (£)	2022 (£)
Auditor's remuneration (excluding VAT)		
Audit	<b>13,700</b>	11,350
Tax services	<b>1,100</b>	-

## 7. Trustees' remuneration and expenses

The trustees neither received nor waived any emoluments during the year (2022: £nil) and no expenses were reimbursed to trustees (2022: £nil).

# Financial statements: Notes continued 10

For the year ended 30 June 2023

## 8. Staff costs

	2023 (£)	2022 (£)
Wages and salaries	1,971,117	1,723,959
Social security costs	152,028	164,933
Pension costs	179,287	171,773
<b>Total</b>	<b>2,302,432</b>	<b>2,060,665</b>

In 2022 wages and salaries includes an ex-gratia payment of £2,650 to an employee that left during the year

The number of employees whose emoluments, as defined for taxation purposes, amounted to over £60,000 in the year was as follows:

	2023	2022
£60,001–£70,000	-	-
£70,001–£80,000	2	2
£80,001- £100,000	-	-
£100,001–£110,000	1	1

The average number of employees during the year was 51 (2022: 49).

The total amounts paid for salaries, fees and expenses in respect to the key management personnel of the charity were £414,059 (2022: £407,809). Key management personnel make up the senior management team, which consists of the Chief Executive, the Chief Operating Officer, the Director of Consulting, the Director of Innovation & Development, the Head of Communication and the Head of Policy. During this period one member of the key management personnel earned between £100,001 - £110,000, and two earned between £70,001 - 80,000.

The average number of employees, calculated on a full-time basis, analysed by function, was:

	2023	2022
Consulting	27	24
Think tank	2	2
Innovation & development	6	5
Communications & marketing	4	4
Executive, operations & strategy	6	7
<b>Total</b>	<b>45</b>	<b>42</b>

# Financial statements: Notes continued 11

For the year ended 30 June 2023

## 8. Related part transactions

Aggregate donations and grants from trustees were £174,950 (2022: £ 808,500). More information can be found in note 2.

During the year the charity received the following from related parties and other parties closely connected with NPC management and staff:

Client/Funder	Relationship	2023(£)	2022 (£)
Allan & Gill Gray Philanthropies	One of NPC's staff members is a trustee	<b>17,691</b>	761,175
Baring Foundation	One of NPC's trustees is a trustee	<b>27,938</b>	19,475
Ethos Foundation	One of NPC's staff member is a close family member	<b>35,597</b>	-
William Grant Foundation	One of NPC's staff member is a close family member	<b>75,000</b>	-
City Bridge Trust	One of NPC's trustees is on the Executive team of the funding arm	<b>86,500</b>	-
Grant Gordon	One of NPC's staff member is a close family member	<b>10,000</b>	-
Environmental Funders Network	One of NPC's staff members is a trustee	-	17,850
Gatsby Foundation	One of NPC's trustees is a close family member of a trustee of the Foundation	-	10,000

During the year one trustee made available an interest-free borrowing facility of up to £250,000 to help meet the upfront costs of an office move. No funds were drawn down.

## 10.Pensions

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £179,287 (2022: £171,773). At 30 June 2023, contributions amounting to £17,928 (2022: £16,945) were payable to the scheme and are included in creditors.

## 11.Investments

The charity has an investment of £1 (2022: £1) in NPC Trading Ltd. An equivalent amount is shown in creditors.

# Financial statements: Notes continued 12

For the year ended 30 June 2023

## 12.Subsidiary company

The charity owns the whole of the issued ordinary share capital of NPC Trading Ltd (registered company number 4419576), which was incorporated and registered in England on 18 April 2003. The purpose of the subsidiary is to carry on business as a general commercial company to procure profits and gains for the purpose of paying them to New Philanthropy Capital (registered company number 4244715) or any other charitable body that succeeds to its charitable purpose. The company was dormant throughout the year and has not been consolidated.

The aggregate of the assets, liabilities and funds of NPC Trading Ltd was as follows:

	2023 (£)	2022(£)
Net assets	1	1
Funds (represented by one share of £1)	1	1

# Financial statements: Notes continued 13

For the year ended 30 June 2023

## 13. Tangible fixed assets

	Computer equipment (£)	Computer software (£)	Furniture & Fixtures (£)	Leasehold improvements (£)	Total (£)
<b>Cost</b>					
Cost at 1 July 2022	50,615	-	-	-	50,615
Additions	15,095	13,787	26,074	27,199	82,155
Disposals	(5,852)	-	-	-	(5,852)
30 June 2023	59,858	13,787	26,074	27,199	126,918
<b>Depreciation</b>					
Cost at 1 July 2022	29,515	-	-	-	29,515
Charge for period	13,188	3,447	1,738	4,533	22,906
Disposals	(5,852)	-	-	-	(5,852)
30 June 2022	36,851	3,447	1,738	4,533	46,569
<b>NBV at 30 June 2023</b>	<b>23,007</b>	<b>10,340</b>	<b>24,336</b>	<b>22,666</b>	<b>80,349</b>
NBV at 30 June 2022	21,100	-	-	-	21,100

# Financial statements: Notes continued 14

For the year ended 30 June 2023

## 14. Debtors and prepayments

	2023 (£)	2022 (£)
Trade debtors	<b>319,027</b>	267,531
Bad debt provision	<b>(14,558)</b>	(11,478)
Prepayments	<b>107,907</b>	107,603
Donations and fees receivable	<b>327,459</b>	174,842
Rent deposit	<b>40,800</b>	-
Other debtors	<b>1,323</b>	250
	<b><u>781,958</u></b>	<u>538,748</u>

## 15. Non-current Debtors

	2023 (£)	2022 (£)
Rent deposit	<b>40,800</b>	-
	<b><u>40,800</u></b>	<u>-</u>

## 16. Creditors: amounts falling due within one year

	2023 (£)	2022 (£)
Trade creditors	<b>77,389</b>	63,488
Taxation and social security	<b>53,707</b>	55,258
VAT	<b>85,459</b>	92,865
Pensions	<b>17,928</b>	16,946
Deferred income	<b>172,129</b>	145,752
Accruals	<b>14,540</b>	86,960
Dilapidations provision (note 16)	-	40,000
Other creditors	<b>136,960</b>	1,649
	<b><u>558,112</u></b>	<u>502,918</u>

## 17. Non-current Creditors

	2023 (£)	2022 (£)
Dilapidations provision (note 16)	<b>15,000</b>	-
	<b><u>15,000</u></b>	<u>-</u>

# Financial statements: Notes continued 15

For the year ended 30 June 2023

## 18. Deferred income consists of consultancy income billed in advance.

	£
Deferred income as at 30 June 2022	145,752
Deferred income released during the year	(145,752)
Income deferred during the year	172,129
Deferred income as at 30 June 2023	<u>172,129</u>

## 19. Analysis of net assets between funds

	Unrestricted funds (£)	Restricted funds (£)	Total (£)
Fund balances at 30 June 2023 are represented by:			
Investments	1	-	1
Tangible Fixed Assets	80,349	-	80,349
Current assets	1,097,449	610,299	1,707,748
Current liabilities	(573,112)	-	(573,112)
<b>Total net assets</b>	<b><u>604,687</u></b>	<b><u>610,299</u></b>	<b><u>1,214,986</u></b>

### *Prior Year*

Fund balances at 30 June 2023 are represented by:			
Investments	1	-	1
Tangible fixed assets	21,100	-	21,100
Current assets	1,154,700	919,316	2,074,016
Current liabilities	(502,918)	-	(502,918)
<b>Total net assets</b>	<b><u>672,883</u></b>	<b><u>919,316</u></b>	<b><u>1,592,199</u></b>

# Financial statements: Notes continued 16

For the year ended 30 June 2023

## 20. Restricted and unrestricted funds

The funds of the charity include restricted funds. These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

	At the start of the year (£)	Income (£)	Expenditure (£)	At the end of the year (£)
<b>Restricted funds</b>				
My Best Life - collaborative project seeking digital solutions to the challenges facing young people today	63,909	8,500	(67,409)	<b>5,000</b>
Open Philanthropy – a grant cycle to address financial hardship	704,681	-	(691,081)	<b>13,600</b>
Research big questions in classroom knowledge (Phase 2)	106,961	-	(92,064)	<b>14,897</b>
Data Lab	-	6,000	(1,425)	<b>4,575</b>
Signpost+	20,119	-	(20,119)	-
Climate	6,976	-	(6,976)	-
Change Makers Funding Programme	16,670	91,875	(56,459)	<b>52,086</b>
Clothworkers Trusteeship 22-23	-	37,740	(36,340)	<b>1,400</b>
Everyone's Environment	-	214,150	(71,730)	<b>142,420</b>
NPC – Centring Lived Experience	-	35,000	(21,895)	<b>13,105</b>
NPC – Innovations in Philanthropy	-	15,000	(1,894)	<b>13,106</b>
Nominet Trust Signpost + (Phase 2)	-	350,000	(125,240)	<b>224,760</b>
NPC – State of the sector	-	109,850	(3,500)	<b>106,350</b>
Health Foundation – Local Needs Databank	-	19,000	-	<b>19,000</b>
Leveling Up	-	23,450	(23,450)	-
<b>Total restricted funds</b>	<b>919,316</b>	<b>910,565</b>	<b>(1,219,582)</b>	<b>610,299</b>
<b>Total unrestricted funds</b>	<b>672,883</b>	<b>2,573,685</b>	<b>(2,641,881)</b>	<b>604,687</b>
<b>Total funds</b>	<b>1,592,199</b>	<b>3,484,250</b>	<b>(3,861,463)</b>	<b>1,214,986</b>

# Financial statements: Notes continued 17

For the year ended 30 June 2023

## Restricted and unrestricted funds (continued – prior year)

	At the start of the year (£)	Income (£)	Expenditure (£)	At the end of the year (£)
<b>Restricted funds</b>				
Inspiring Impact—collaboration to improve impact measurement practice across charity sector	131,883	-	(131,883)	-
My Best Life - collaborative project seeking digital solutions to the challenges facing young people today	36,459	84,960	(57,510)	<b>63,909</b>
Transition Advice Fund (Programme Management)	13,309	-	(13,309)	-
Criminal Justice	18,623	-	(18,623)	-
Rethink, Rebuild	24,990	-	(24,990)	-
Clothworkers Trusteeship 20-21	-	22,500	(22,500)	-
Bucks Place Based Data	(9,816)	11,300	(1,484)	-
Open Philanthropy – a grant cycle to address financial hardship	25,260	759,688	(80,267)	<b>704,681</b>
Research big questions in classroom knowledge (Phase 2)	89,225	85,873	(68,137)	<b>106,961</b>
Data Lab	-	10,000	(10,000)	-
Signpost+	-	25,000	(4,881)	<b>20,119</b>
Climate	-	20,300	(13,324)	<b>6,976</b>
Care Leavers Landscape Report	-	17,275	(17,275)	-
Change Makers Funding Programme	-	68,250	(51,580)	<b>16,670</b>
Bursaries for events	-	2,000	(2,000)	-
<b>Total restricted funds</b>	<b>329,933</b>	<b>1,107,146</b>	<b>517,763</b>	<b>919,316</b>
<b>Total unrestricted funds</b>	<b>681,586</b>	<b>2,486,272</b>	<b>2,494,975</b>	<b>672,883</b>
<b>Total funds</b>	<b>1,011,519</b>	<b>3,593,418</b>	<b>3,012,738</b>	<b>1,592,199</b>

# Financial statements: Notes continued 18

For the year ended 30 June 2023

## 21. Financial commitments

As at 30 June 2023 the charity was committed to making the following payments under non-cancellable operating leases:

Land & Buildings	2023 (£)	2022 (£)
Within one year	<b>96,000</b>	<b>112,500</b>
Within two to five years	<b>56,000</b>	-
<b>Total</b>	<b>152,000</b>	<b>112,500</b>

## 22. Post balance sheet events

There are no post balance sheet events to report.

## 23. Detailed comparatives for the statement of financial activities (2022)

	Unrestricted Funds (£)	Restricted Funds (£)	2022 Total (£)	2021 Total (£)
<b>Income from</b>				
Donations and legacies	545,508	-	<b>545,508</b>	945,737
Charitable activities				
Consulting	1,908,746	205,198	<b>2,113,944</b>	1,910,334
Think tank	-	899,948	<b>899,948</b>	433,640
Communication & events	21,106	2,000	<b>23,106</b>	21,585
Other income	10,798	-	<b>10,798</b>	63,588
Investments	114	-	<b>114</b>	77
<b>Total income</b>	<b>2,486,272</b>	<b>1,107,146</b>	<b>3,593,418</b>	<b>3,374,961</b>
<b>Expenditure on</b>				
Raising funds	236,590	-	<b>236,590</b>	255,943
Charitable activities				
Consulting	1,497,574	176,286	<b>1,673,860</b>	1,517,286
Think tank	377,791	341,477	<b>719,268</b>	796,575
Communication & events	383,020	-	<b>383,020</b>	325,389
<b>Total expenditure</b>	<b>2,494,975</b>	<b>517,763</b>	<b>3,012,738</b>	<b>2,895,193</b>
<b>Net (expenditure)/income for the year</b>	<b>(8,703)</b>	<b>589,383</b>	<b>580,680</b>	<b>479,768</b>
<b>Balance brought forward at 1 July</b>	<b>681,586</b>	<b>329,933</b>	<b>1,011,519</b>	<b>531,751</b>
<b>Balance carried forward at 30 June</b>	<b>672,883</b>	<b>919,316</b>	<b>1,592,199</b>	<b>1,011,519</b>

# Reference and administrative details

**Charity registration number:** 1091450

**Company registration number:** 4244715

**Trustees:**

- Delroy Corinaldi
- Meera Craston (appointed December 2022)
- Lucy de Groot (Vice-Chair)
- Vaughan Lindsay (Chair)
- Sir Harvey McGrath
- Francesca Perrin (resigned December 2022)
- Fiona Rawes
- John Stares (resigned January 2023)
- Albert Tucker
- Emily Wheeler (appointed August 2022)
- Peter Wheeler

**Chief executive:** Dan Corry

**Registered office:** 93 Great Suffolk Street,  
London, SE1 0BX

**Auditors:** Haysmacintyre LLP,  
10 Queen Street Place,  
London EC4R 1AG

**Bankers:** NatWest, Charing Cross Business Centre,  
3rd Floor, Cavell House  
London WC2H 0NN

**Legal advisers:** Withersworldwide,  
20 Old Bailey  
London EC4M 7AN

# About NPC

NPC is a charity think tank and consultancy. We help charities, foundations, philanthropists, impact investors, social enterprises, corporates, and the public sector to maximise social impact in the lives of the people they serve.

**As a charity, we rely on the generosity of our supporters. Find out more about how you can [support our work](#) to transform the sector.**



**NEW PHILANTHROPY CAPITAL**

England & Wales - Charity number 1091450

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# Accounts

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Annual Report 2021/22  
New Philanthropy Capital



Improve

Innovate

Influence

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## Delivering on public benefit

In reviewing NPC’s aims and planning future activities, the trustees have given careful consideration to the Charity Commission’s general guidance on public benefit.

Our vision and mission show that NPC is committed to helping charities and funders to achieve a greater impact. Our beneficiaries are therefore anyone helped by charities and funders—that is, the public at large.

All our activities contribute to our strategic aims and are for the benefit of the public.

This report has set out NPC’s activities and achievements and illustrates how they benefit charities and funders. By helping charities and funders to achieve a greater impact, we ultimately help the people that these charities and funders serve.

*“NPC brings a great focus to what’s important and what can have the most impact for charities so we can best serve our world.”*

**Survey respondent**

# Celebrating 20 years of maximising social impact



For 20 years NPC has been helping philanthropists and charities to maximise social impact.

Through our think tank and consultancy work, we've provided a challenging and independent voice that inspires bold initiatives and much needed innovation in the social sector. We've helped charities, philanthropists, and funders to move from 'in principle' to 'in practice'. And we've developed and encouraged new ideas and strategic leadership to help the social sector overcome the everchanging challenges they and their beneficiaries face.

Now we want to look ahead to the next 20 years. What will the new challenges be? What new ways of doing good will emerge? And what changes should we be making now?

We were founded by a group of bold philanthropists who funded our early work to maximise social impact. Today we must raise our own funding to be able to serve the sector, facing the same fundraising difficulties as many of our fellow charities. As we move from one crisis to another, we can't predict the future or what challenges will come next, but we can continue working to develop, test and share evidence-driven tools for all. Impact matters, and it matters most of all to the people charities serve.

That is our agenda, and we hope you will continue to be part of this exciting and worthwhile journey. I'd like to welcome our new trustee, Emily Wheeler, and thank all the NPC staff for all their work. Equally, I'd like to thank everyone who has worked with us, whether as a funder, a client, an event attendee, or one of the many who read our work and put it into practice.

**Vaughan Lindsay, Chair**

# Making an impact in an age of permacrisis



NPC's core purpose is to help charities, funders, philanthropists, and policy makers to have more impact, something we strive for every day. Increasingly this means responding to new crises.

First it was Covid. It was vital that we helped guide funders on where to put their money so that it went to the right places. I am very proud of how our team pivoted so quickly. Our guides, online events, blogs, and data dashboards helped funders and charities understand where need was, where the gaps were, and how they could help. Our work helps multiple organisations and people in need as our advice and approaches cascade through the sector, contributing to the work on the ground that ensures a child is fed or a homeless person finds a bed for the night. Through this, a donation to NPC can magnify the effectiveness of a huge range of causes.

Now we have a cost-of-living crisis. We're responding by advising funders on who will be most affected, how charities seeking to help are struggling, and what they can do to support them – as well as helping charities learn from each other. In the midst of all this has been the powerful Black Lives Matter movement and the recognition that our sector – and NPC – has not acted enough on diversity, equity, and inclusion as much as we should have. We have a long way to go, but we have reviewed and changed many of our practices, including how we advise clients, organise events, and think about social issues. Last – but perhaps most important – we have the climate crisis. The climate crisis and our response to it is about people as much as planet, so this cannot be solely the preserve of environmental funders and NGOs. Our Everyone's Environment programme seeks to ensure all charities and funders understand how this affects them and the people they work with.

I'd like to thank the entire NPC team for their hard work, passion and good humour through some tricky times, and to my Chair and Board who have got the balance right between being challenging and supportive.

**Dan Corry, Chief Executive**

# Our mission and values

As a charity think tank and consultancy, our mission is to improve lives by helping charities, foundations, philanthropists, impact investors, social enterprises, corporates, and the public sector to maximise social impact. We bring the following values to our work:

- We value honesty and integrity, even when it's hard
- We care about evidence
- We innovate and learn
- We're committed to inclusion, equity, and diversity, in all its forms
- We work with others

In everything we do we strive to be clear, committed, passionate, bold, open, and imaginative. Our enthusiasm is deeply rooted in our passion for improving the lives of the people charities serve.

For more on our values, visit [thinkNPC.org/about-NPC/our-values](https://thinkNPC.org/about-NPC/our-values).

*"You ask the kind of questions we as leaders in the sector don't always have space to ask"*

Arvinda Gohil



# Our convening power

Our [NPC Ignites conference](#) remains a major event in the charity calendar, this year generating 11 media stories – which makes it a great platform for sharing ideas. We welcomed 253 delegates and hosted 57 speakers to debate the biggest issues and latest thinking within the social sector.

We were pleased to host former no10 adviser Samuel Kasumu and former civil service permanent secretary and chief executive of Citizens Advice Clare Moriarty at our annual policy discussion. The relationship between charities and government is crucial, and public conversations like this challenge groupthink within our sector.

We continue to host philanthropy drop ins, an initiative which began during the pandemic which we've kept through popular demand. These smaller scale discussions offer a chance for philanthropists to share what they're working on, the challenges they're facing, and the lessons they're learning. Highlights include our conversations on achieving cultural change in the criminal justice system, making philanthropy more open, and understanding how environmental crises will impact different social groups.

Our [training sessions](#) remain popular, covering a broad range of approaches from theory of change to systems change and user involvement. Through these events and our free resources we make our expertise accessible to more charities, particularly smaller charities. They also provide a good space for peer learning.

To sponsor or host an NPC event, contact our [Head of Communications](#).



# Our consulting offer

Making a positive difference isn't easy. We work with charities, funders, social enterprises, philanthropists, businesses, and civil servants to help clients to:

- Understand their cause and develop a strategy to achieve their mission
- Manage and measure impact
- Refine grant-making to enhance philanthropy impact
- Become a socially responsible investor by making impactful social investments
- Use digital and data to help achieve a mission
- Develop an impact-ready board
- Create and deliver a learning partnership
- Involve users in designing services and developing strategy
- Think big with systems change approaches

We draw on our charity expertise and tailor it to each client's unique challenges and strengths. We work creatively and collaboratively, drawing on insights from across NPC, the charity sector and beyond to challenge and inform decisions.

Find out more about how we can help at [thinknpc.org/consulting](https://thinknpc.org/consulting).

## Case study: Putting users at the heart of service delivery

We worked closely with Praxis' campaign team, experts by experience, CEO, and trustees to develop a framework for embedding co-production into Praxis' *No recourse to public funds* campaign.

We facilitated two workshops – one with experts by experience and the other with staff, management and trustees. We explored tensions and trade-offs, liability, and how to put different approaches into practice.

We produced a framework outlining key roles and accountabilities for the campaign which Praxis can use to plan co-production and make effective decisions. Our framework provides a foundation for transparency and mutual understanding between staff and experts by experience.



*"I think NPC has a really important role to play. I don't know that there are other consultancies out there that are doing what you're doing."*

Survey respondent

## Our objectives, activities, achievements, and performance

We want to help the sector through influence, improvement, and innovation, so that it achieves greater impact for the people it serves.

**Innovate**: We develop innovative approaches and new resources, focusing especially on how digital and data can enable the sector to maximise impact.

**Influence**: We use our data, voice, and convening power to influence the sector's thinking and to put the sector and social inequalities higher in the minds of policy makers, with deep dives into specific areas.

**Improve**: We support the sector to rethink and rebuild post covid-19, including what to keep, what to improve, and what lessons have been learnt, as well as urging and embedding more evidence-led impactful practice throughout the sector.



# We innovate

[thinkNPC.org/innovating](https://thinkNPC.org/innovating)



We develop innovative approaches and new resources, focusing especially on how digital and data can enable the sector to maximise impact.

## Expanding our Local Needs Databank

As we move from the pandemic to a cost of living crisis, we've added new data from the Trussell Trust to our [Local Needs Databank](#). Our new explore and compare feature helps charities and funders better understand needs in communities around the UK.

## Evaluating digital answers to loneliness

Our evaluation of the [Building Connections Fund](#) demonstrated the need to develop a blend of online and offline services to meet different needs when confronting loneliness. Our [blog](#) on whether technology can tackle loneliness continues to be one of our most widely read.

## Working in the open with NPC Labs

We're continuing to experiment with a more open way of working through our [My Best Life](#) project to develop digital solutions for young people in Lambeth, and our new [Open Philanthropy](#) programme for people in financial hardship. It may seem odd to say that philanthropy can ever be open and inclusive, given that we're talking about private wealth. But many funders are now wrestling with how they can be more inclusive – how they can be part of the solution rather than the problem when it comes to diversity and inclusion in society's power structures. We're exploring how being more open can make giving more effective, and whether by designing inclusivity into a project from the start we can make a bigger strategic impact.

*'We are joining the Local needs databank because we recognise the power of data in helping us decide where we should focus our attention.'*

**Grace Wyld, Senior Policy Researcher**  
**The Trussell Trust**

# We influence

[thinkNPC.org/influencing](https://thinkNPC.org/influencing)

We use our data, voice, and convening power to influence the sector's thinking and put the sector and social inequalities higher in the minds of policy makers, with deep dives into specific areas.

## **Towards a social Levelling Up**

We have established ourselves as a leading voice in the sector on the Levelling Up agenda, with our analysis on [Levelling Up](#) and the [UK Shared Prosperity Fund](#) covered in the Financial Times and the Scotsman in addition to our opinion piece in The Times last year. Our research has been quoted in Parliament, and the Levelling Up White Paper included policies similar to those we've advocated for. We're also encouraging conversation in the sector, with strong attendance at our events, frequent coverage in the sector press, and podcast interviews for [Third Sector](#) and [Charity Chat](#). We've developed key relationships with policy makers, and we'll continue to make the case for social infrastructure with the new figures in government.

## **Finding new ways of financing change**

We helped DCMS understand the potential of blending grant subsidy with investment capital to support lending to civil society groups in England, as well as reviewing the options for how DCMS can provide grant subsidy in the future. In our [report for DCMS](#), we said the government should continue to provide grant subsidy for blended finance as a way of directing funding towards social needs as part of the Levelling Up agenda. Our work was tweeted by Nigel Huddleston, the Minister for Civil Society at the time.

## **Tackling the charity contracts issue**

We're helping to fix the problem of public sector contracts being given to charities below cost price. We worked directly with [Kent County Council](#) to learn how they could design and price contracts to ensure they are based on the best insight about the nature and scale of needs and the cost of delivering a quality service. We also recommended that commissioners reframe the relationship to one of partnership. This work follows our [State of the Sector](#) research, which found big increases in small and medium charities taking on contracts and doing so below cost price. We're [sharing what we've learnt](#) with the wider public sector.

# We help the sector to improve

[thinkNPC.org/improving](https://thinkNPC.org/improving)

We support the sector to rethink and rebuild post covid-19, including what to keep, what to improve, and what lessons have been learnt, as well as urging and embedding more evidence-led impactful practice throughout the sector.

## Helping more charities with theory of change and impact measurement

Our [Theory of Change guide](#), first published in October 2019, continues to become ever more popular – crossing 50,000 unique page views this year. We're delighted that so many charities are using this resource to improve their strategy and set a basis for understanding impact. This year we brought the resources developed through the Inspiring Impact programme into the NPC website so that more charities can continue to use these tools to get started with impact measurement. An [evaluation](#) of Inspiring Impact, published in April 2022, concluded that Inspiring Impact was well liked by its users, and made a significant contribution to improved impact practice in the organisations it engaged with.

## Everyone's Environment

The climate and nature crises and our policies to confront them are impacting marginalised groups the hardest. They need to be involved in the policy response, and charities are well placed to enable this. Environmental and social charities must therefore work together. Our [Healthy Planet, Healthy People](#) report explored this issue from the perspective of health, setting the basis for future work to bring the two sectors together to tackle the greatest challenge we face. Following this, we launched our [Everyone's Environment](#) initiative.

## Confronting systemic issues

We've continued to develop our thinking on systems change, including a long running project with [Fulfilling Lives](#) to better understand the challenges of helping people living with multiple disadvantages, new research on breaking reoffending cycles, and our [Rethink Rebuild](#) initiative to capitalise on what we've learnt as a sector from the pandemic. Our guide to [Trauma-informed approaches](#) had 6,000 unique views in this period.

## Responding to the cost of living crisis

We're using all our knowledge and experience to help funders and charities confront the cost of living crisis, as we did with the pandemic. Our Director of Consulting, Angela Kail, shared our early thinking on the [Third Sector podcast](#). We published our [philanthropy guide](#) shortly after year end, accompanied by an opinion piece in the [Financial Times](#).

# Case studies of our work with charities and local authorities

## Understanding the causes and impact of hygiene poverty

We worked with hygiene poverty charity In Kind Direct to develop a systems map examining the causes and impacts of hygiene poverty, building upon the impact data and insights they already collect.

Together, we identified key factors relating to hygiene poverty through a literature review and In Kind Direct's current data. This formed the skeleton version of our draft systems map, which we developed further through workshops with a broad range of stakeholders, each with their own perspective and insight into hygiene poverty.

Having finalised our map, we analysed it to identify 'leverage points where an intervention might create change. In Kind Direct used our research and recommendations to inform their strategic planning, and pulled key insights into an executive summary, [Human Right to Hygiene](#). This outlines a Roadmap to Change with concrete steps partners can take to help end hygiene poverty.

## Addressing the problems with public sector contracts

We worked with Kent County Council to help them understanding of the issues around full cost recovery in their voluntary sector contracts. Full cost recovery refers to the total costs needed to cover of the work, including any relevant 'core' costs, such as staffing, rents, or transport. Many public sector contracts don't pay enough to cover these, which leaves charities subsidising from other income.

We identified key themes, issues and recommendations relating to Kent County Council's approach to contracting. We interviewed staff from the council and from large and small charities. We also spoke with five national experts in commissioning and four staff from comparable local authorities to provide context. Finally, we analysed the finances of three charity providers to get practical examples. We wanted to see where the views of different groups aligned and diverged.

Kent County Council chose to publish [our report](#) in full so other local authorities can explore similar issues. They have committed to embedding our final recommendations where possible.

# Where next for social impact?



To mark our 20th birthday, we hosted a series of [essays and interviews](#) with leading figures and people doing things differently to ask: Where next for social impact?

We wanted to look ahead to the next 20 years. What will the new challenges be? What new ways of doing good will emerge? How can philanthropy be more diverse, equitable, and inclusive? And what changes should we be making now?

Our essays and interviews explored three broad areas:

**Charities and the state.** How political should charities be? How can charities better make their case to government? And can charities delivering public sector contracts really change the world for the better?

**Charities and society.** Can charities achieve social justice? Can we fix the social capital gap? And what place is there for participation in grant-making?

**Where next for philanthropy?** What will it take to shift power in grant-making? What more can be done with data? What does trust-based philanthropy mean for the impact agenda? And will AI ever replace grant-makers?

We're delighted to have hosted such a range of fascinating contributors, demonstrating our convening power and the depth of insights within the sector.

Among our contributors were Lord Gus O'Donnell, Rachael Maskell, Chris Wright, Chris Sherwood, Alison Garnham, Samuel Kasumu, Polly Neate, Angela Salt, Javed Khan, Fozia Irfan, Tania Cohen, John Stone, and Dame Stephanie Shirley. You can enjoy all the essays and interviews at [thinkNPC.org/resource-hub/where-next-for-social-impact](https://thinkNPC.org/resource-hub/where-next-for-social-impact).

## Towards balanced evaluation

A lot of good ideas have come from trust-based philanthropy. But as ever, you can have too much of a good thing. In this case, unquestioning trust means downplaying impact assessment – and even the entire impact agenda. We should all know that this is a bad idea.

Without some kind of an impact assessment we knock out the little accountability that philanthropists, and charities themselves, are subject to. Rather than shifting power, we let the power dynamic rip.

But we must include the people we seek to help in our decisions, implementation, and evaluation. There is no point in plotting the fastest route to where nobody wants to go!

We need more involvement, more participatory grant making, more from peer researchers, and we need to exploit the possibilities of digital and data.

The key is not to throw away all the top-down techniques but to bring them together with bottom-up methods. Balanced Evaluation is how we will help philanthropy improve.

# Our year at a glance

As we mark 20 years of NPC, this year has been all about helping the sector adapt to the post-pandemic world and prepare for the new challenges of the cost of living crisis.

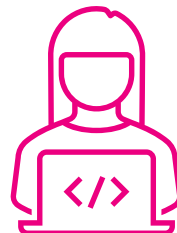


This year we've worked with 97 consulting and think tank clients, 51 of whom were repeat business.



We hosted 35 events, welcoming over 2,100 attendees. Many of our events continue to be free, which make them great for small charities.

Our website remains a popular source of free resources and think pieces with over 450,000 page views. We now have over 25k followers on Twitter, and we've featured in mainstream media including The Times, Financial Times, and the Scotsman.



*'NPC has been invaluable to our foundation as we developed our new strategy over the last couple of years.*

*Through your webinars, events and on-line resources you helped us shape our 'place-based' approach', define our Theory of Change and make some great connections.*

*You have been a regular source of inspiration and support for which we are very grateful.'*

**Madeleine Harding, Chair of Trustees,  
The Tony & Sheelagh Williams  
Charitable Foundation**

# Our future work

We want to help charities, funders and policy makers to maximise social impact in the lives of the people they serve.

## Our goals are to:

- **Innovate:** We will explore and develop innovative approaches, new tools, and resources that can enable the sector to maximise impact.
- **Influence:** We will use our data, voice, and convening power to influence the sector's thinking and put the sector and social inequalities higher in the minds of policy makers and the sector.
- **Improve:** We will urge and embed more evidence-led impactful practice throughout the sector.

## We want to focus especially on:

- Diversity, equity, inclusion, and power.
- Poverty, inequality, and the cost of living.
- How the climate and nature crises affect people.
- Digital technologies and data.

*"I don't think there's anyone quite like NPC. It plays across a number of different markets, which can be a great strength."*

**Duncan Shrubsole**



# Support our work

As a registered charity and think tank, NPC is committed to transforming the sector to maximise its impact for the people charities support. We are at the forefront of innovation, impact evaluation and insight into the challenges and opportunities facing the charity sector. Our non-consultancy work is primarily funded by grants and gifts, which we are very grateful for. If you would like to support NPC or a specific project, [we would love to hear from you](#).

We run an extensive events programme, from training in theory of change, to seminars on impact measurement and evaluation, to discussions on the hot topics of the day within the charity sector. By sponsoring or hosting an NPC event you'll be building your profile with our community of charities, social enterprises and funders.

NPC's Supporters' Circle is a network of committed philanthropists who have come together to support our work to transform the charity sector. As a member of our Supporters' Circle you'll be invited to bespoke NPC events and networking opportunities, where you can build connections with other funders, share experiences, and discuss issues of the day—from the impact of covid on civil society to new innovations in philanthropy and charitable giving.

For 20 years, NPC has been making waves and moving the dial as the thinktank of the social sector. As the journey continues, we invite you to be part of the next decade of sector-wide innovation, influence and improvement. You will be invited to share your insights to help add value to what we do and recognise your contribution to our work.

Reflecting the monumental amount of work to be done in the sector, Supporters' Circle members typically donate a minimum of £10,000 per annum, but we welcome all support.

*'I am proud to have been involved in the development of NPC into a major force in the charitable and not-for-profit scene.'*

**David Robins,**  
Supporter, Co Founder  
and former NPC Chair



# Financial review: 2021/22 results at a glance

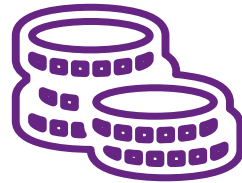
## Where our money comes from

59% from our consulting

25% from our funded think tank projects

15% from unrestricted donations

1% from events and other income



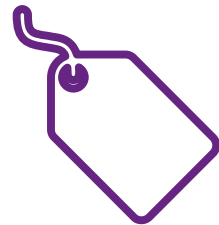
## How we spend our money

56% on consulting

24% on think tank research and advocacy

8% of raising funds

12% on events and communications



## Our reserves

Our free reserves and committed income would cover 7.8 months of planned expenditure.

This is slightly higher than our reserves policy, which reflects that:

1. There is continued uncertainty about the demand for consulting and think tanks services and the propensity to give due to the cost of living crisis and ongoing war in the Ukraine.
2. We expected a deficit in the financial year ending 30 June 2023 due to the upfront cost of planned investment in internal systems and a potential office move.



**Our statement of financial activities for the year to 30 June 2022 is set out on page 38 of this report.**

# Financial review



The statement of financial activities for the year to 30 June 2022 is on page 38.

## Impact the cost of living crisis on our finances

We are very proud of how our staff are responding to the cost of living crisis – producing practical support and guidance to support the sector to do its job of helping people most affected. Nonetheless, the cost of living crisis combined with the ongoing war in the Ukraine creates an uncertain economic backdrop for us and the sector.

We have been cautiously optimistic in setting our budget for the year ahead and in our medium-term financial projections. We'll focus our income-generation where we can deliver the most impact, whilst flexing our cost base wherever possible. We believe this places us in a good position to continue to improve the sector whilst mitigating risks, such as the capacity for funders and individuals to fund think tank and innovation work; the demand for consulting services; rising costs; and the challenges of recruiting skilled people.

*'NPC is a thought leader, yet at the same time focused on the practical side of the work, providing solid, hands-on guidance and support.'*

**Survey respondent**

*'I think that if you were no longer there, the sector would be at a disservice. Because I think some of the challenging questions that get asked are through you.'*

**Survey respondent**

# Financial review, continued

## Income

Total income for the year was £3,593,418, an increase of 6.5% (2021: £3,374,961).

### **Consulting and think tank - £3,013,892**

Income rose 28% compared to last year (2021: £2,343,975).

Year on year comparisons are affected by the amount of grant income received for making grants to other organisations. This affects our reported income and costs.

Our 2022 income for giving grants was £586,293 (2021: £131,845). Excluding income for making grants, our consulting and think tank income was therefore £2,427,599, an increase of 10% compared to last year (2021: £2,212,130). This is mainly due to the upfront receipt of a restricted grant to fund our Open Philanthropy programme.

### **Unrestricted donations - £545,508**

Unrestricted donations fell 42% compared to last year (2021: £945,737). This was

expected as our multi-year grant from the Oak Foundation (£600,000 over 4 years) was frontloaded (£450,000 received in 2021 and £50,000 each year 2022-2024).

Over time, we aim to increase and diversify our fundraising income. This year, unrestricted grants totalled £244,883 (2021: £682,500), with £60,000 from new donors.

### **Communication and events - £23,106**

Income rose 7% compared to last year (2021: £21,585), mainly due to grant funding for bursary places at events.

All training and events remained online with cheaper tickets.

### **Other income**

We received non-recurring income in 2021 through the Job Retention Scheme. There was no material non-recurring income in 2022.

# Financial review, continued

## Expenditure

The total expenditure for the year was £3,012,738, an increase of 4% (2021: £2,895,193). Year on year comparisons are affected by grants made to other organisations. Excluding grants, our total expenditure was £3,002,738, an increase of 3% compared to last year (2021: £2,763,348).

### **Staff - £2,060,665**

Staff costs rose 3% compared to last year (2021: £2,007,860) mainly due a small increase in the size of team. On average during the year we employed 49 people. Many of our staff work part-time, so our Full Time Equivalent is 42. (2021: 44 staff, 39 FTE).

### **Partners and associates - £482,534**

Payments to other individuals and organisations that we collaborate with to deliver our consulting and think tank work rose 48% compared to last year (2021: £326,694).

### **Premises and other office costs - £207,037**

We have been able to offset the cost of re-opening the office post-covid by negotiating revised terms with some suppliers, this meant we saved 1% compared to last year (2021: £209,851).

*‘As an organisation NPC have real credibility within the voluntary sector and their wider understanding of the sector enabled them to create a robust research report.’*

**Lydia Jackson**

**Head of Engagement for the Voluntary and  
Community Sector, Kent County Council**

# Financial review, continued

## **Our funding**

Our main sources of funding were fees for consulting work, restricted grants for think tank projects, unrestricted grants from foundations, fees for events and training, and donations from our trustees and other individuals, including our Supporters' Circle.

## **Our approach to fundraising**

Our relationship with our supporters is very important to us. We aim for our fundraising to be respectful, open, honest and accountable. We have a close relationship with our Supporters' Circle and other individuals, foundations and organisations who support us.

All fundraising is conducted by contracted team members. We don't employ any fundraising agencies or third parties to fundraise directly, and we don't run telephone or door to door fundraising campaigns.

We comply with data protection regulations and, as part of our on-going commitment

to best practice, we strive to adhere to the standards set by the Fundraising Regulator and the Institute of Fundraising.

Further information about how we gather and use information as part of our fundraising activities is on our website, together with a clearly documented complaints process. There were no instances of non-compliance with the requirements of the fundraising code of practice and or complaints regarding our fundraising activities during the year.

## **Our investment policy**

In accordance with the memorandum of association, our trustees have the power to invest funds that are not immediately required in any investments, securities or property, and to delegate the management of investments to a financial expert. During the year, cash balances were insufficient to be invested, and, when appropriate, funds were held in deposit accounts to combine optimum interest rates with the required accessibility.

# Financial review, continued

## **Our reserves policy and unrestricted funds target**

At 30 June 2022, NPC had total reserves of £1,592,199 (2021: £1,011,519). Of these reserves £919,316 are legally restricted and £672,883 are unrestricted.

The trustees believe that committed income should be considered alongside unrestricted reserves when considering the adequacy of reserves. The trustees' aim for total unrestricted reserves and committed income to cover between 3 and 6 months of planned expenditure in the year ahead.

At 30 June 2022, NPC had unrestricted reserves of £672,883 (2021: £681,586) and £1,541,462 (2021: £1,202,799) of committed fees and unrestricted grant income. We expect average monthly expenditure in the year to 30 June 2023 to be £283,833. The total of £2,214,345 of unrestricted reserves and committed donations and fees will therefore cover approximately 7.8 months of budgeted expenditure. This is slightly higher than our reserves policy but considered reasonable due to continued uncertainty about the demand for consulting and think tank services and the propensity to give due to the cost of living crisis and ongoing war in the Ukraine; and an expected deficit in the financial year ending 30 June 2023 due to the upfront cost of planned investment in internal systems and a potential office move.

The trustees are confident that NPC has sufficient reserves and committed income to fund its planned activities.

## **Our approach to pay**

As the leading think tank and consultancy for the charity sector, we aim to attract staff from the not-for-profit sector as well as the public and private sectors—and to pay our people accordingly. Pay is reviewed at least annually, in accordance with our [published pay policy](#) which encompasses recruitment & retention, affordability, performance, proportionality and transparency. We are an accredited Living Wage employer. We do not hire unpaid interns, and staff at all levels have access to the same benefits, including pensions.

## **Our trading subsidiary**

The charity has a wholly-owned trading subsidiary, NPC Trading Limited. The company did not trade during the years ended 30 June 2022 or 30 June 2021.

# Our structure, management, and governance



NPC is a charitable company limited by guarantee. Each of our trustees have agreed to contribute up to £1 towards the assets of the company in the event of its being wound up. We were incorporated on 2 July 2001 and registered as a charity on 27 March 2002. Our trustees are the directors of the company and seek to adhere to the principles set out in the [Charity Governance Code](#).

## Our trustees

We have an experienced and committed board contributing a range of perspectives and expertise. Our trustees set clear strategic goals, agreed annually along with performance targets, with progress reviewed at each meeting. Our trustees believe that people with different perspectives and experiences will bring new ideas, robust debate, better decisions and better impact. Our trustees regularly assess their own performance and complete a skills assessment to direct training, support, and recruitment. New trustees go through an induction programme. Individual trustees may get involved in areas outside of board meetings according to their skills, experience and interests. A Policy Advisory Board and Development Board supports our trustees, with co-opted members who add specialist expertise and insight.

## Our management and staff

Day-to-day activities are led by our chief executive, Dan Corry. Dan is responsible for developing strategies, products and services within overall guidelines and policies set by the trustees. He is responsible for representing NPC externally and for ensuring that [our values](#) are communicated and observed in our working practices.

Dan is supported by our senior management team - the chief operating officer, the director of research and consulting, the director of innovation and development, the head of communications, the head of policy, and an HR consultant – and our staff. During the year ended 30 June 2022, we employed an average of 48.6 employees, of whom many worked part-time, giving 42.0 full-time equivalent employees. More detail is provided in note 8 to the financial statements.

Our staff engagement survey was completed by 91% of staff. 88% said NPC is a good or very good place to work.

# Our structure, management, and governance, continued

## Conduct at work

Transparency and trust are critical to public confidence in the charity sector. At NPC we strive to uphold high standards and behaviour in all we do, recognising that this requires a commitment to continual learning and improvement.

Our [code of conduct](#) sets out our expectations of all staff, trustees, and associates. The code is centred around four principles: professional competence and behaviour; ethical standards and integrity; representing NPC and the sector; working with others. Our code is underpinned by our policies on [diversity, equity, and inclusion](#); [harassment and bullying](#); [whistleblowing](#); and [complaints](#), all of which are published on our website.

We encourage all staff to speak up when they think something is wrong. Staff may speak confidentially to their line manager, a member of the senior management team, our HR and Facilities Manager, our independent HR consultant, or a trustee. Staff may also speak to [Protect](#), an independent whistleblowing charity.

## Our approach to safeguarding

Much of our work involves communicating with the public and working directly with individuals and organisations to help them use their resources more effectively. This can include interaction with at-risk people, in person, online, or in another forum.

We recognise that:

- The welfare of our direct and indirect beneficiaries is paramount.
- Everybody should be kept safe from harm regardless of age, disability, gender, racial heritage, religious belief, economic status, sexual orientation or identity.
- Some people will require more protection due to their age, level of dependency, previous experiences, or other issues.

Our [safeguarding policy](#) sets out our expectations and provides guidance to staff on how to identify and assess safeguarding risk at activity inception; designing and implementing appropriate actions to mitigate safeguarding risk; monitoring safeguarding risk throughout; and how to report and respond to any concerns.

# Our structure, management, and governance, continued



## Our approach to the environment

We acknowledge that our activities have an effect on the environment, so we are committed to improving our environmental impacts through our operations and by encouraging our staff to adopt sustainable practices and behaviours whilst at work. We adhere to the following principles to reduce our environmental impact.

- Avoiding unnecessary energy consumption.
- Reducing waste.
- Avoiding harmful chemicals used in cleaning products.
- Avoiding unnecessary travel and, when required, travelling by the lowest carbon means possible.
- Working with suppliers that provide products and services with low or positive environmental impacts as far as possible, while balancing expense and productivity.
- Promoting environmental policies and practices throughout NPC.

We recognise that this is an evolving area with new products and practices becoming available, so we continue to identify potential opportunities for further improvement. More detail is available in our [environment policy](#).

Annually we estimate our carbon emissions and offset by purchasing carbon credits. We fully offset our CO<sub>2</sub>e of 42.97 tonnes for the calendar year ended 31 December 2021.

### *Helping the sector*

As well as looking at our own practices, we're launching a new Everyone's Environment programme with over 30 social and environmental charities to put people at the heart of confronting the climate and nature crises.

We're working with charities in the social and environmental sectors to gather evidence of the impact the environmental crises will have on different social groups; hear directly from people in these groups about what environmental solutions they want to see happen; and bring social and environmental charities together to address barriers to action and find common ground on policies.

# Our structure, management, and governance, continued



## Our approach to improving diversity, equity and inclusion

NPC seeks to maximise the impact of the charity sector; a sector that works to champion those most vulnerable and under-represented in society. Diversity, equity and inclusion is mission-critical, so we strive to embed it into all aspects of our work, both external and internal.

We believe diversity extends beyond the protected characteristics identified in the Equality Act (age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation) and includes other factors such as economic and educational background and immigration status. We believe equity and inclusion are feelings, not statistics, that apply to all.

What does it mean to incorporate DEI principles into how we work? There is no easy answer, but we have made a long-term commitment to a continuous process, centred around four themes that encompass all aspects of our work: (1) embedding DEI into our consulting work; (2) using our influence in the charity sector; (3) embracing a listening and learning culture; and (4) transparency.

Each theme is underpinned by objectives, which we adjust as we learn. Each

objective is owned by a member of the senior management team, with progress reported against at each trustee meeting.

You can read more about each and our experience to-date on our website and, as part of the transparency theme, we continue to publish our staff equal opportunities data, including our gender and ethnic pay gaps (see below).

Success for us will be when applying a diversity, equity and inclusion lens is just what we do, in every aspect of our work, every day. We still have a lot to learn and we're eager to keep facing up to the task in hand.

### *Gender and ethnic pay gaps*

As at 31 March 2022, our mean gender pay gap was £4.60 (2021: £2.38) and our median gender pay gap was £0.20 (2021: £-1.03). Our mean ethnic pay gap was £1.16 (2021: £3.74) and the median ethnic pay gap was £-1.03 (2021: £2.12). The main year-on-year changes are fewer men in the lowest quartile in 2022 and more staff from ethnic minority backgrounds in the top two quartiles.

# Our structure, management, and governance, continued

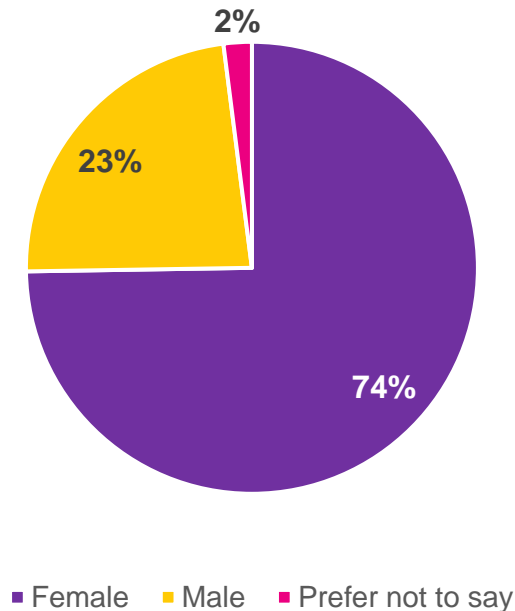
## Equal opportunities data

For simplicity, we have only presented here the options for which at least one person selected. Answers which nobody selected, such as non-binary, have been omitted.

Source: staff DEI survey, June 2022, ~91% response rate / Sector benchmark: [UK Civil Society Almanac 2022 | Home | NCVO](#)

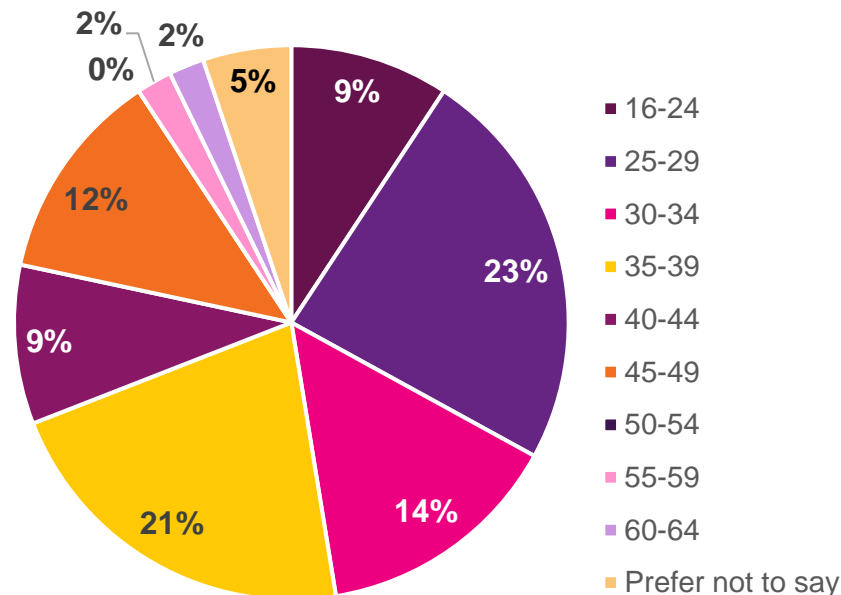
### What is your gender identity?

Sector benchmark: 67% female



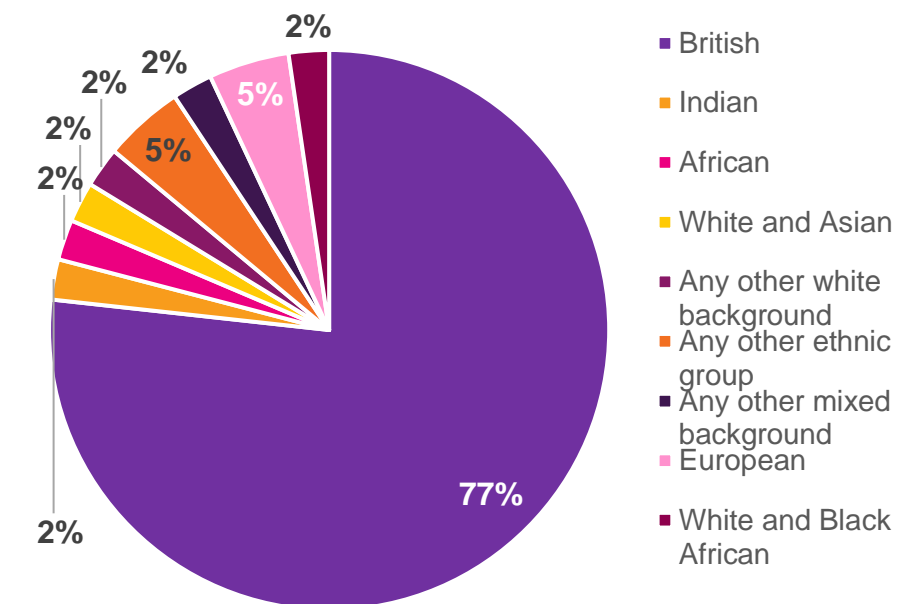
### What is your age?

Sector benchmark: 29% aged 16-34



### What is your ethnicity?

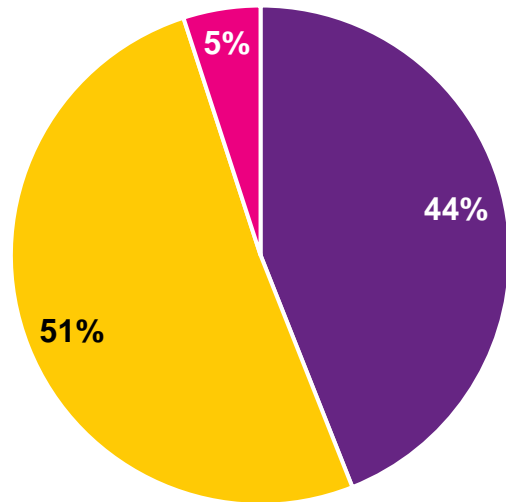
Sector benchmark: 10% ethnic minority



# Our structure, management, and governance, continued

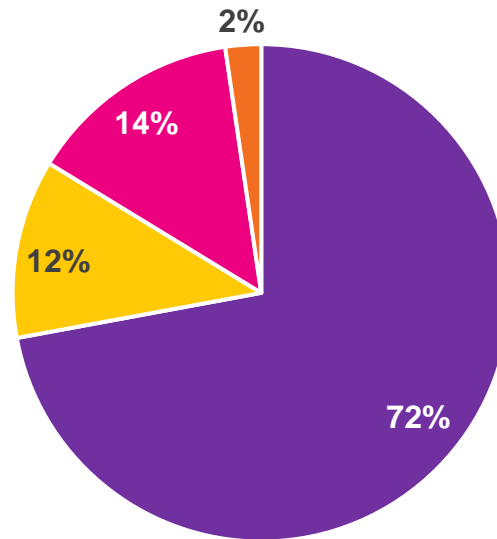
Equal opportunities data, continued

Are you married or in a civil partnership?



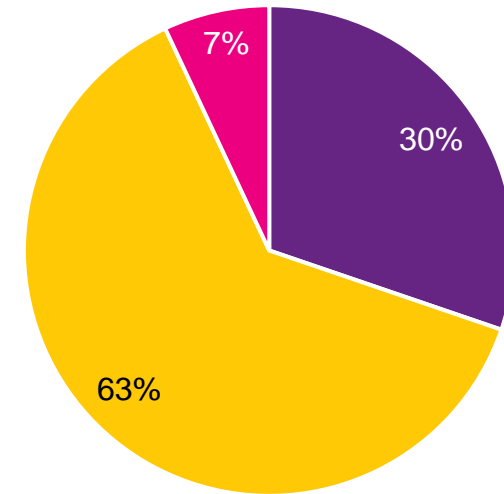
■ Yes ■ No ■ Prefer not to say

What is your sexual orientation?



■ Heterosexual ■ Bisexual  
■ Prefer not to say ■ Other

Do you consider yourself to have a disability, health condition, mental health condition and/or learning difficulty?

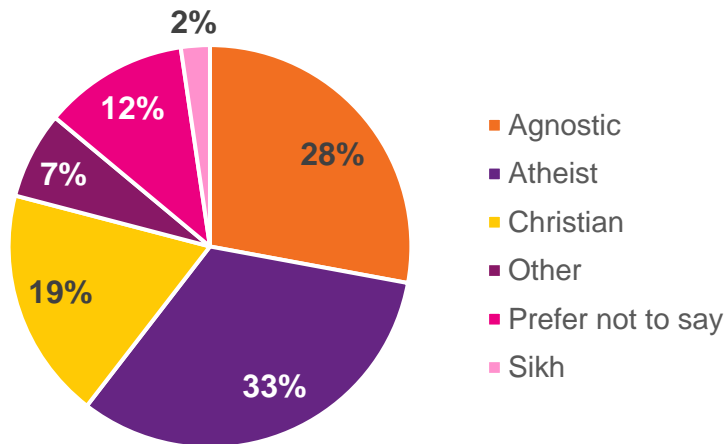


■ Yes ■ No ■ Prefer Not To Say

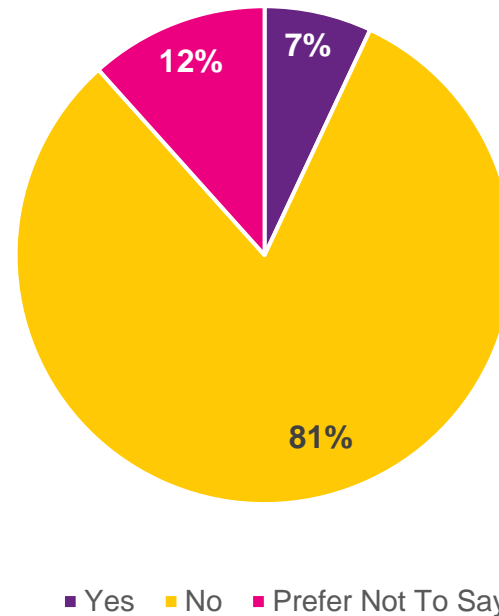
# Our structure, management, and governance, continued

Equal opportunities data, continued

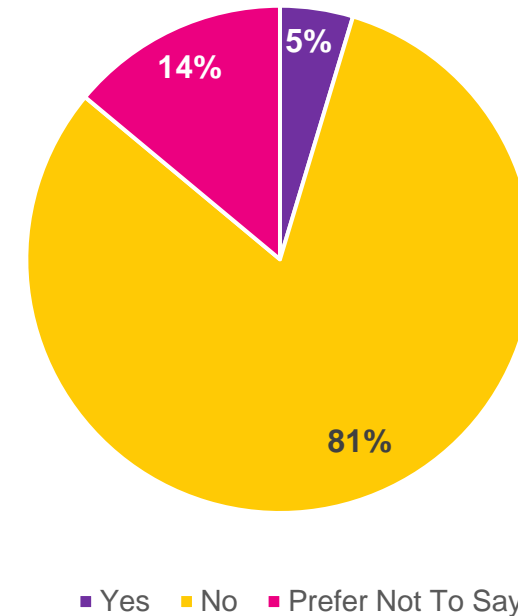
What is your religion or belief?



Do you consider yourself to be a first generation or recent migrant to the UK?



Do you consider yourself to be economically or educationally disadvantaged?



# Our structure, management, and governance, continued

## Our approach to cyber security

Robust cyber security is essential; it protects our ability to provide services on a day-to-day basis and allows us to promote efficient and effective working practices.

Cyber crime is an ever-present and increasing threat for all organisations. We hold [Cyber Essentials](#) accreditation, a government-backed scheme that provides us, our clients, and our other stakeholders with assurance that we have taken sensible steps to mitigate exposure to the most common cyber-attacks, such as staff training and awareness alongside IT controls.



*'NPC's insight, experience and practical advice is helping us to re-focus our organisation so we can continue to improve our approach to achieving outcomes that matter to people.'*

**Louise Russell**

**Head of Strategy and Planning, Diabetes UK**

# Our structure, management, and governance, continued

## **Our approach to risk**

NPC has a risk management process to enable the trustees and management to assess risks and devise and implement strategies and controls to mitigate or address them. Our risk register is reviewed regularly by the senior management team and annually by trustees. The board considers the following to be high-risk areas:

### **Being unable to recruit and retain the best talent from diverse backgrounds**

- We regularly review salaries, seeking to balance the rising cost of living for staff with what is possible for the organisation.
- We're promoting our refreshed benefits package, focusing on benefits that help with day-to-day living costs and are relevant in a hybrid working environment.
- We're proactively helping our staff to learn and develop.
- We're improving how we recruit, including working with organisations that promote greater diversity.
- We have an active associate and partner network.

## **Not meeting unrestricted funding targets**

- We have a clear fundraising proposition centred around our desire to innovate, influence and improve.
- We have regular conversations with existing and prospective donors.
- We use our networks to raise our profile amongst potential funders.
- We recruit colleagues with fundraising experience and partner with others.

### **Reputational damage if we fail to meet expected standards**

- Our Code of Conduct sets out the standards we expect from our trustees, staff, associates and other stakeholders.
- We've published our policies on diversity, equity and inclusion, safeguarding, harassment and bullying, whistleblowing and complaints. This is supplemented by an internal Staff Handbook.
- Our diversity, equity and inclusion improvement plan has been agreed with trustees and progress is monitored at each board meeting.
- Our internal well-being hub signposts resources to support staff, including access to independent HR support and advice.

# Our structure, management, and governance, continued



## **Loss of relevance and impact if we were unable to respond to emerging trends**

- We're centring our efforts around poverty, inequality and the cost of living; diversity, equity, inclusion, and power; climate change and just transitions; and data and digital.
- We're using our government and cross-sector networks to be a voice for the sector.
- We're continually improving our communication.
- We work with associate and partnership networks as required.
- Our staff continue to develop their skills.

## **Insufficient demand for consulting services caused by macro-economic or political events or a large growth in competition. Current trends include the continued war in the Ukraine, poor economic forecasts, and the cost of living.**

- We're protecting our capacity to develop new business.
- We closely monitor enquiries and invitations to tender. We decide tactically what to bid and tender for. We seek feedback after bids and tenders and at end of project work.

- We continually refresh our content to remain relevant, including new content to test in market such as on impact Investing, systems change and user involvement.
- We regularly monitor sales and our new business pipeline, including repeat business. We're developing new markets, such as corporates.
- We're increasing the flex in our cost base to enable timely scaling of consulting resources to match demand. This includes thinking about the ratios of staff on permanent contracts to fixed contracts and using our associate and partnership networks as required.
- We maintain close relationships with principal clients, both existing and prospective.
- We're staying up to date with competitor activities, products, and pricing.

# Statement of responsibilities of the trustees

The trustees (who are also directors of New Philanthropy Capital for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking

reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report of trustees has been prepared in accordance with the special provisions applicable to companies' subject to the small companies regime.

Approved by the trustees on 13 December 2022 and signed on their behalf by:

**Vaughan Lindsay, Chair**

# Independent auditor's report to the members of NPC



## Opinion

We have audited the financial statements of New Philanthropy Capital for the year ended 30 June 2022 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2022 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

# Independent auditor's report to the members of NPC, continued

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and the Chief Executive's statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial

statements are prepared is consistent with the financial statements; and

- the directors' report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

# Independent auditor's report to the members of NPC, continued



## **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement [set out on page 33], the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company law and charity law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the misstatement of revenue and the override of internal controls. Audit procedures performed by the engagement team included:

# Independent auditor's report to the members of NPC, continued



- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluation management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, with particular consideration for journal entries posted with unusual account combinations, posted by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Harper (Senior Statutory Auditor)  
For and on behalf of Haysmacintyre LLP, Statutory Auditor

Date:  
10 Queen Street Place London EC4R 1AG

# Financial statements: Statement of financial activities

(Incorporating an Income and Expenditure Account) – For the year ended 30 June 2022

	Notes	Unrestricted Funds (£)	Restricted Funds (£)	2022 Total (£)	2021 Total (£)
<b>Income from</b>					
Donations and legacies	2	545,508	-	<b>545,508</b>	945,737
Charitable activities					
Consulting	3	1,908,746	205,198	<b>2,113,944</b>	1,910,334
Think tank	3	-	899,948	<b>899,948</b>	433,640
Communication & events	3	21,106	2,000	<b>23,106</b>	21,585
Other income		10,798	-	<b>10,798</b>	63,588
Investments		114	-	<b>114</b>	77
<b>Total income</b>		<b>2,486,272</b>	<b>1,107,146</b>	<b>3,593,418</b>	<b>3,374,961</b>
<b>Expenditure on</b>					
Raising funds		236,590	-	<b>236,590</b>	255,943
Charitable activities					
Consulting		1,497,574	176,286	<b>1,673,860</b>	1,517,286
Think tank		377,791	341,477	<b>719,268</b>	796,575
Communication & events		383,020	-	<b>383,020</b>	325,389
<b>Total expenditure</b>	4	<b>2,494,975</b>	<b>517,763</b>	<b>3,012,738</b>	<b>2,895,193</b>
<b>Net (expenditure)/income for the year</b>		<b>(8,703)</b>	<b>589,383</b>	<b>580,680</b>	<b>479,768</b>
<b>Balance brought forward at 1 July</b>		<b>681,586</b>	<b>329,933</b>	<b>1,011,519</b>	<b>531,751</b>
<b>Balance carried forward at 30 June</b>		<b>672,883</b>	<b>919,316</b>	<b>1,592,199</b>	<b>1,011,519</b>

All of these results are derived from continuing activities; all gains and losses recognised in the year are included.

Movements in funds are disclosed in note 18 to the financial statements.

Detailed comparatives for the Statement of Financial Activities are disclosed in note 21 to the financial statements.

Think tank restricted grant income includes £586,293 received in advance for making grants to other organisations as part of our Open Philanthropy programme.

We expect to pay out these grants in 2022/23.

# Financial statements: Balance sheet

For the year ended 30 June 2022

	Notes	2022 (£)	2021 (£)
<b>Tangible fixed assets</b>			
Investments	11	1	1
Fixed Assets	13	21,100	10,905
<b>Current assets</b>			
Debtors and prepayments	14	538,748	634,567
Cash at bank and in hand		1,535,268	1,032,083
		<u>2,074,016</u>	<u>1,666,650</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15,16	<u>(502,918)</u>	<u>(626,037)</u>
<b>Net current assets</b>		<b>1,571,098</b>	1,040,613
Creditors: amounts falling due in more than one year	16	-	(40,000)
<b>Net assets</b>		<u><b>1,592,199</b></u>	<u>1,011,519</u>
<b>Funds</b>			
Unrestricted funds		672,883	681,586
Restricted funds		919,316	329,933
<b>Total funds</b>		<u><b>1,592,199</b></u>	<u>1,011,519</u>

The financial statements were approved and authorised for issue by the trustees on 13 December 2022 and signed on their behalf by:

**Vaughan Lindsay**  
**Chair**  
**Company No: 4244715**

# Financial statements: Cash flow statement

For the year ended 30 June 2022

	2022 (£)	2021 (£)
<b>Net income</b>	<b>580,680</b>	479,768
Adjustments for:		
Depreciation	10,529	10,643
Interest income	114	77
Decrease in debtors	95,819	35,016
(Decrease) in creditors	(163,119)	(86,932)
<b>Net cash provided by operating activities</b>	<b>524,023</b>	438,572
<b>Cash flow from investing activities</b>		
Investment income—bank interest	(114)	(77)
Purchase of tangible fixed assets	(20,724)	(6,924)
<b>Net cash used in investing activities</b>	<b>(20,838)</b>	(7,001)
<b>Change in cash and cash equivalents in the year</b>	<b>503,185</b>	431,571
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,032,083</b>	600,512
<b>Cash and cash equivalents at the end of the year</b>	<b>1,535,268</b>	1,032,083

Cash and cash equivalent at the end of the year includes £586,293 of restricted grant income received in advance for the purpose of making grants to other organisations as part of our Open Philanthropy programme.

# Financial statements: Notes

For the year ended 30 June 2022

## 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the financial statements.

### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)—(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (January 2019) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of

approval of the financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on donation and income from investments. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### b) Public Benefit Entity

In reviewing NPC's aims and planning future activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. Our vision and mission show that NPC is committed to helping charities and funders to achieve a greater impact. Our beneficiaries are therefore anyone helped by charities and funders—that is, the public at large.

All our activities contribute to our strategic aims and are for the benefit of the public. This report has set out NPC's activities and achievements and illustrates how they benefit charities and funders. By helping charities and funders to achieve a greater impact, we ultimately help the people that these charities and funders serve. The charitable company meets the definition of a public benefit entity under FRS 102.

# Financial statements: Notes

For the year ended 30 June 2022



## c) Income

All income is included in the statement of financial activities (SOFA) when it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Donations are recognised when received. Legacies and gifts are taken into account on a receivable basis, but only when capable of exact financial measurement.

Consulting fees are charged for research projects, provision of training and provision of information. These fees are recognised when receivable. Fees are receivable when the consultancy service has been provided by NPC. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred.

Grants are received to carry out research activities. These grants are recognised as income when they become receivable. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred.

## d) Grant-making

Grants payable are classified as charitable expenditure. Grants payable are charged in the year that they are agreed by the trustees and with the recipient organisation. The value of

any such grants unpaid at the year end is accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments.

## e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function and costs incurred in connection with the compliance with constitutional and statutory requirements, is apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity:

Fundraising	8%
Think tank	23%
Consulting	56%
Communications	11%
Governance	2%

Irrecoverable VAT is apportioned on the same basis as central costs.

# Financial statements: Notes

For the year ended 30 June 2022

## f) Expenditure on raising funds

Expenditure on funds relate to the costs incurred by the charitable company in developing relationships with third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

## g) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £5,000 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Computer equipment:	over 3 years
Furniture and fixtures:	over 5 years
Office equipment:	over 5 years

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying

value may exceed their net realisable value and value in use.

## h) Fund accounting

Funds held by the charity are either:

Restricted funds—these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Unrestricted funds—these are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

## i) Pension

The charity operates a defined contribution pension scheme through Aegon Scottish Equitable for all employees completing six months' service. Membership of the scheme is not compulsory. Pension costs charged to the SOFA represent the contributions payable by the charity in the year.

## j) Leases

Operating lease rentals are charged to the SOFA on a straight-line basis over the period of the lease.

# Financial statements: Notes

For the year ended 30 June 2022

## **k) Taxation**

The charity is exempt from taxation on its charitable activities.

## **l) Investments**

The investment in the subsidiary is being held at cost.

## **m) Financial instruments**

Financial assets, such as cash and debtors, are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables.

Financial liabilities, such as trade creditors, loans and finance leases, are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of NPC after deducting all of its liabilities.

## **n) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

## **o) Cash**

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## **p) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

# Financial statements: Notes

For the year ended 30 June 2022

## q) Judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The items in the accounts where these judgements and estimates have been made include estimating the value of work in progress at the period end based on the percentage of work completed.

## r) Statutory information

New Philanthropy Capital is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 4th Floor, Harling House, 47-51 Great Suffolk Street, London SE1 0BS.

## 2. Donations and legacies

	2022 (£)	2021 (£)
Unrestricted grants	244,883	682,500
Supporters' circle and individual donations	300,625	262,237
<b>Total</b>	<b>545,508</b>	<b>945,737</b>

£545,508 income from donations and legacies was unrestricted (2021: £945,737). Total donations and unrestricted grants received from trustees was £191,115 including gift aid (2021: £207,500) this was made up of trustee donations through the Supporters' Circle, individual donations and unrestricted grants.

NPC would also like to thank Oak Foundation, Monday Charitable Trust, Mohn Westlake Foundation, Allan & Gill Gray Philanthropies and Tuixen for their unrestricted grants in support of NPC. This funding was invaluable to allowing NPC to continue delivering to our mission.

# Financial statements: Notes

For the year ended 30 June 2022

## 3. Restricted revenue

		2022 (£)	2021 (£)
<b>Think tank</b>			
Inspiring Impact	National Lottery Community Fund	-	200,000
Criminal Justice	Porticus	-	33,500
My Best Life	Zing	-	15,000
	Comic Relief	4,960	44,640
	Paul Hamlyn Foundation	20,000	-
	Esmee Fairbairn Foundation	60,000	-
Covid 19 Data Analysis	The Health Foundation	-	3,000
Open Philanthropy	Indigo Trust	-	25,000
	Marcelle Speller	-	12,500
	Allan & Gill Gray Philanthropies	731,292	-
	Paul Traina via Friends of NPC	28,396	-
Data Labs	Gatsby Foundation	10,000	-
Rethink, Rebuild	Gatsby Foundation	-	100,000
Signpost+	Nominet Trust	25,000	-
Climate	John Ellerman Foundation	20,300	-
<b>Total think tank</b>		<b>899,948</b>	<b>433,640</b>

		2022 (£)	2021 (£)
<b>Consulting</b>			
Trustee seminars	Clothworkers' Foundation	22,500	21,000
Transition Advice Fund	Barrow Cadbury Trust	-	20,000
Big Questions in Classrooms	Templeton World Charity Foundation	85,873	117,271
Coordination on Place	Rothschild Foundation	-	14,950
Bucks Place Based Data Lab	Rothschild Foundation	11,300	13,450
Collective Strategy	The Childhood Trust	-	5,000
Care Leavers Landscape Report	The Master Charitable Trust	17,275	-
Changemakers Funding Programme	Comic Relief	68,250	-
<b>Total consulting</b>		<b>205,198</b>	<b>191,671</b>

		2022 (£)	2021 (£)
<b>Communications &amp; events</b>			
Bursary places at events	Barrow Cadbury	2,000	-
<b>Total restricted revenue</b>		<b>1,107,146</b>	<b>625,311</b>

# Financial statements: Notes

For the year ended 30 June 2022

## 4. Expenditure

	Fundraising (£)	Consulting (£)	Think tank (£)	Communication & events (£)	2022 Total (£)	2021 Total (£)
Staff costs	172,773	1,160,078	417,948	304,011	<b>2,054,810</b>	2,004,304
Travel & subsistence	305	2,852	2,071	270	<b>5,498</b>	680
Recruitment & training	504	2,871	1,001	1,658	<b>6,034</b>	3,734
Partners & associates	28,476	261,749	188,629	3,680	<b>482,534</b>	326,694
Subscriptions, publications & data sources	1,135	1,998	1,313	2,637	<b>7,083</b>	5,848
IT, telecoms & equipment	264	826	382	16,448	<b>17,920</b>	12,537
Printing & Distribution	-	8	2	200	<b>210</b>	411
Marketing & PR	-	553	1,649	8,487	<b>10,689</b>	12,574
Grant-making (note 5)	-	-	10,000	-	<b>10,000</b>	131,845
Other direct costs	52	11,788	2,676	-	<b>14,516</b>	(6,755)
<b>Governance</b>						
Staff costs—governance	481	3,354	1,358	644	<b>5,837</b>	3,556
Audit fees	929	6,492	2,629	1,300	<b>11,350</b>	10,920
<b>Other support costs</b>						
Other staff & recruitment cost	3,423	23,920	9,687	4,722	<b>41,752</b>	19,718
Consultants & temp staff	2,403	16,783	6,796	3,313	<b>29,295</b>	31,594
Premises costs	14,907	104,154	42,177	20,561	<b>181,799</b>	193,371
Other office costs	2,069	14,460	5,855	2,854	<b>25,238</b>	16,480
Website & IT	4,176	29,181	11,816	5,760	<b>50,933</b>	56,523
Legal & professional	2,896	20,237	8,195	3,996	<b>35,324</b>	34,251
Bank charges & foreign exchange (gains)/losses	(505)	(3,525)	(1,428)	(695)	<b>(6,153)</b>	11,202
VAT	1,438	10,049	4,069	1,984	<b>17,540</b>	15,063
Depreciation	864	6,032	2,443	1,190	<b>10,529</b>	10,643
<b>Total expenditure</b>	<b>236,590</b>	<b>1,673,860</b>	<b>719,268</b>	<b>383,020</b>	<b>3,012,738</b>	<b>2,895,193</b>
<b>Total expenditure 2021</b>	<b>255,943</b>	<b>1,517,286</b>	<b>796,575</b>	<b>325,389</b>		<b>2,895,193</b>

# Financial statements: Notes

For the year ended 30 June 2022

## 4. Expenditure, continued – prior year

PRIOR YEAR	Cost of raising funds (£)	Consulting (£)	Think Tank (£)	Communication & events (£)	2021 Total (£)
Staff costs	186,036	1,054,117	505,116	259,035	<b>2,004,304</b>
Travel & subsistence	89	103	469	19	<b>680</b>
Recruitment & training	105	2,538	1,071	20	<b>3,734</b>
Partners & associates	30,271	211,792	82,671	1,960	<b>326,694</b>
Subscriptions, publications & data sources	426	1,823	884	2,715	<b>5,848</b>
IT, telecoms & equipment	1,979	851	997	8,710	<b>12,537</b>
Printing & Distribution	287	21	103	-	<b>411</b>
Marketing & PR	78	6	301	12,189	<b>12,574</b>
Grant-making (note 5)	-	43,863	87,982	-	<b>131,845</b>
Other direct costs	8	(9,674)	2,911	-	<b>(6,755)</b>
<b>Governance</b>					
Staff costs—governance	323	1,868	1,006	359	<b>3,556</b>
Audit fees	993	5,736	3,088	1,103	<b>10,920</b>
<b>Other support costs</b>					
Other staff & recruitment costs	1,792	10,357	5,577	1,992	<b>19,718</b>
Consultants & temp staff	2,872	16,595	8,936	3,191	<b>31,594</b>
Premises costs	17,579	101,569	54,691	19,532	<b>193,371</b>
Other office costs	1,498	8,656	4,661	1,665	<b>16,480</b>
Website & IT	5,139	29,689	15,986	5,709	<b>56,523</b>
Legal & professional	3,114	17,990	9,687	3,460	<b>34,251</b>
Bank charges	1,018	5,884	3,168	1,132	<b>11,202</b>
VAT	1,369	7,912	4,260	1,522	<b>15,063</b>
Depreciation	967	5,590	3,010	1,075	<b>10,643</b>
<b>Total expenditure</b>	<b>255,943</b>	<b>1,517,286</b>	<b>796,575</b>	<b>325,389</b>	<b>2,895,193</b>

# Financial statements: Notes

For the year ended 30 June 2022

## 5. Grantmaking

Grants of £10,000 or over were made to the following organisations:

	2022 Total (£)	2021 Total (£)
UK		
National Council for Voluntary Organisations	-	10,000
Evaluation Support Scotland	-	20,000
JCWI	-	32,246
Public Law Project	-	12,125
Social Value UK	-	22,000
UK Youth	-	14,445
WCVA	-	10,000
The Institute for Philanthropy	<b>10,000</b>	-
Grants < £10,000	-	9,529
<b>Total grants</b>	<b>10,000</b>	<b>131,845</b>

This financial year we received in advance £586,293 for the purpose of making future grants to other organisations as part of our Open Philanthropy programme. This is included as a restricted fund at 30 June 2022.

## 6. Net movement in funds for the year

This is stated after charging:

	2022 (£)	2021 (£)
Auditor's remuneration (excluding VAT)		
Audit	<b>11,350</b>	10,920

## 7. Trustees' remuneration and expenses

The trustees neither received nor waived any emoluments during the year (2021: £nil) and no expenses were reimbursed to trustees (2021: £nil).

# Financial statements: Notes

For the year ended 30 June 2022

## 8. Staff costs

	2022 (£)	2021 (£)
Wages and salaries	<b>1,723,959</b>	1,669,475
Social security costs	<b>164,933</b>	155,535
Pension costs	<b>171,773</b>	182,850
<b>Total</b>	<b>2,060,665</b>	2,007,860

Wages and salaries includes an ex-gratia payment of £2,650 to an employee left during the year (2021: £nil).

The number of employees whose emoluments, as defined for taxation purposes, amounted to over £60,000 in the year was as follows:

	2022	2021
£60,001–£70,000	-	-
£70,001–£80,000	<b>2</b>	2
£80,001- £100,000	-	-
£100,001–£110,000	<b>1</b>	1

The average number of employees during the year was 49 (2021: 44).

The total amounts paid for salaries, fees and expenses in respect to the key management personnel of the charity were £407,809 (2021: £384,994). In the aftermath of Covid 19 some senior management team members voluntarily reduced their salaries through to September 2020. Without these reductions the prior year comparative would have been £390,463. Key management personnel make up the senior management team, which consists of the Chief Executive, the Chief Operating Officer, the Director of Consulting, the Director of Innovation & Development, the Head of Communication and the Head of Policy. During this period one member of the key management personnel earned between £100,001 - £110,000, and two earned between £70,001 - 80,000.

The average number of employees, calculated on a full-time basis, analysed by function, was:

	2022	2021
Consulting	<b>24</b>	17
Think tank	<b>2</b>	9
Innovation & development	<b>5</b>	4
Communications & marketing	<b>4</b>	3
Executive, operations & strategy	<b>7</b>	6
<b>Total</b>	<b>42</b>	39

# Financial statements: Notes

For the year ended 30 June 2022

## 8. Related part transactions

Aggregate donations and grants from trustees were ££191,115 (2021: £207,500). More information can be found in note 2.

During the year the charity received the following from related parties:

Client/Funder	Relationship	2022 (£)	2021 (£)
Allan & Gill Gray Philanthropies	One of NPC's staff members is a trustee	<b>761,175</b>	-
Baring Foundation	One of NPC's trustees is a trustee	<b>19,475</b>	16,200
Environmental Funders Network	One of NPC's staff members is a trustee	<b>17,850</b>	-
Gatsby Foundation	One of NPC's trustees is a close family member of a trustee of the Foundation	<b>10,000</b>	200,000
Indigo Trust	One of NPC's trustees is a Director	-	25,000
Heart of the City	One of NPC's trustees is Chair	-	11,238

## 10. Pensions

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £171,773 (2021: £182,850). At 30 June 2022, contributions amounting to £16,945 (2021: £16,644) were payable to the scheme and are included in creditors.

## 11. Investments

The charity has an investment of £1 (2021: £1) in NPC Trading Ltd. An equivalent amount is shown in creditors.

## 12. Subsidiary company

The charity owns the whole of the issued ordinary share capital of NPC Trading Ltd (registered company number 4419576), which was incorporated and registered in England on 18 April 2003. The purpose of the subsidiary is to carry on business as a general commercial company to procure profits and gains for the purpose of paying them to New Philanthropy Capital (registered company number 4244715) or any other charitable body that succeeds to its charitable purpose. The company was dormant throughout the year and has not been consolidated.

The aggregate of the assets, liabilities and funds of NPC Trading Ltd was as follows:

	2022 (£)	2021 (£)
Net assets	<b>1</b>	1
Funds (represented by one share of £1)	<b>1</b>	1

# Financial statements: Notes

For the year ended 30 June 2022

## 13. Tangible fixed assets

	Computer equipment (£)	Total (£)
<b>Cost</b>		
Cost at 1 July 2021	59,600	59,600
Additions	20,724	20,724
Disposals	(29,709)	(29,709)
30 June 2022	<u>50,615</u>	<u>50,615</u>
<b>Depreciation</b>		
Cost at 1 July 2021	48,695	48,695
Charge for period	10,529	10,529
Disposals	(29,709)	(29,709)
30 June 2022	<u>29,515</u>	<u>29,515</u>
<b>NBV at 30 June 2022</b>	<b><u>21,100</u></b>	<b><u>21,100</u></b>
NBV at 30 June 2021	<u>10,905</u>	<u>10,905</u>

## 14. Debtors and prepayments

	2022 (£)	2021 (£)
Trade debtors	<b>267,531</b>	74,262
Bad debt provision	<b>(11,478)</b>	-
Prepayments	<b>107,603</b>	246,690
Donations and fees receivable	<b>174,842</b>	313,131
Other debtors	<b>250</b>	484
	<b><u>538,748</u></b>	<u>634,567</u>

## 15. Creditors: amounts falling due within one year

	2022 (£)	2021 (£)
Trade creditors	<b>63,488</b>	68,128
Taxation and social security	<b>55,258</b>	50,428
VAT	<b>92,865</b>	99,426
Pensions	<b>16,946</b>	16,644
Deferred income	<b>145,752</b>	216,813
Accruals	<b>86,960</b>	172,279
Dilapidations provision (note 16)	<b>40,000</b>	-
Other creditors	<b>1,649</b>	2,319
	<b><u>502,918</u></b>	<u>626,037</u>

Deferred income consists of consultancy income billed in advance.

	£
Deferred income as at 30 June 2021	216,813
Deferred income released during the year	(216,813)
Income deferred during the year	145,752
Deferred income as at 30 June 2022	<u>145,752</u>

# Financial statements: Notes

For the year ended 30 June 2022

## 16. Provisions

	£
At 30 June 2021	40,000
Transfer to current liabilities during the year	<u>(40,000)</u>
At 30 June 2022	<u>-</u>

The provision for dilapidations was transferred to current liabilities in the year ended 30 June 2022.

## 17. Analysis of net assets between funds

	Unrestricted funds (£)	Restricted funds (£)	Total (£)
<b>Fund balances at 30 June 2022 are represented by:</b>			
Investments	1	-	<b>1</b>
Tangible Fixed Assets	21,100	-	<b>21,100</b>
Current assets	1,154,700	919,316	<b>2,074,016</b>
Current liabilities	<u>(502,918)</u>	<u>-</u>	<b><u>(502,918)</u></b>
<b>Total net assets</b>	<b><u>672,883</u></b>	<b><u>919,316</u></b>	<b><u>1,592,199</u></b>

### *Prior Year*

Fund balances at 30 June 2021 are represented by:

Investments	1	-	<b>1</b>
Tangible fixed assets	10,905	-	<b>10,905</b>
Current assets	1,336,717	329,933	<b>1,666,650</b>
Current liabilities	<u>(626,037)</u>	<u>-</u>	<b><u>(626,037)</u></b>
Long term liabilities	<u>(40,000)</u>	<u>-</u>	<b><u>(40,000)</u></b>
<b>Total net assets</b>	<b><u>681,586</u></b>	<b><u>329,933</u></b>	<b><u>1,011,519</u></b>

# Financial statements: Notes

For the year ended 30 June 2022

## 18. Restricted and unrestricted funds

The funds of the charity include restricted funds. These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

	At the start of the year (£)	Income (£)	Expenditure (£)	At the end of the year (£)
<b>Restricted funds</b>				
Inspiring Impact—collaboration to improve impact measurement practice across charity sector	131,883	-	(131,883)	-
My Best Life - collaborative project seeking digital solutions to the challenges facing young people today	36,459	84,960	(57,510)	<b>63,909</b>
Transition Advice Fund (Programme Management)	13,309	-	(13,309)	-
Criminal Justice	18,623	-	(18,623)	-
Rethink, Rebuild	24,990	-	(24,990)	-
Cothworkers Trusteeship 20-21	-	22,500	(22,500)	-
Bucks Place Based Data	(9,816)	11,300	(1,484)	-
Open Philanthropy – a grant cycle to address financial hardship	25,260	759,688	(80,267)	<b>704,681</b>
Research big questions in classroom knowledge (Phase 2)	89,225	85,873	(68,137)	<b>106,961</b>
Data Lab	-	10,000	(10,000)	-
Signpost+	-	25,000	(4,881)	<b>20,119</b>
Climate	-	20,300	(13,324)	<b>6,976</b>
Care Leavers Landscape Report	-	17,275	(17,275)	-
Change Makers Funding Programme	-	68,250	(51,580)	<b>16,670</b>
Bursaries for events	-	2,000	(2,000)	-
<b>Total restricted funds</b>	<b>329,933</b>	<b>1,107,146</b>	<b>517,763</b>	<b>919,316</b>
<b>Total unrestricted funds</b>	<b>681,586</b>	<b>2,486,272</b>	<b>2,494,975</b>	<b>672,883</b>
<b>Total funds</b>	<b>1,011,519</b>	<b>3,593,418</b>	<b>3,012,738</b>	<b>1,592,199</b>

# Financial statements: Notes

For the year ended 30 June 2022

## Restricted and unrestricted funds (continued – prior year)

Prior year	At the start of the year (£)	Income (£)	Expenditure (£)	Transfers (£)	At the end of the year (£)
<b>Restricted funds</b>					
Inspiring Impact—collaboration to improve impact measurement practice across charity sector	43,303	200,000	(111,420)	-	<b>131,884</b>
Homelessness – research into trends and sector interventions	4,589	-	(4,589)	-	-
Research into arts outreach	1,335	-	(1,335)	-	-
Research big questions in classroom knowledge	1,432	11,955	(13,387)	-	-
My Best Life - collaborative project seeking digital solutions to the challenges facing young people today	108,373	59,640	(131,553)	-	<b>36,460</b>
Transition Advice Fund (Programme Management)	27,382	14,242	(28,315)	-	<b>13,309</b>
Transition Advice Fund (grants)	45,142	5,758	(50,900)	-	-
Criminal Justice	10,000	33,500	(24,877)	-	<b>18,623</b>
State of the Sector	-	-	(18,800)	18,800	-
Health Foundation	17,848	3,000	(20,848)	-	-
Collective Strategy	-	5,000	(5,000)	-	-
Rethink, Rebuild	-	100,000	(75,010)	-	<b>24,990</b>
Cothworkers Trusteeship 20-21	-	21,000	(21,000)	-	-
Coordination on place	-	14,950	(14,950)	-	-
Bucks Place Based Data	-	13,450	(23,266)	-	<b>(9,816)</b>
Open Philanthropy	-	37,500	(12,240)	-	<b>25,260</b>
Research big questions in classroom knowledge (Phase 2)	-	105,316	(16,091)	-	<b>89,225</b>
<b>Total restricted funds</b>	<b>259,404</b>	<b>625,311</b>	<b>(573,582)</b>	<b>18,800</b>	<b>329,937</b>

# Financial statements: Notes

For the year ended 30 June 2022

## 19. Financial commitments

As at 30 June 2022 the charity was committed to making the following payments under non-cancellable operating leases:

	Land & Buildings	
	2022 (£)	2021 (£)
Within one year	<b>112,500</b>	134,375
Within two to five years	-	93,750
<b>Total</b>	<b>112,500</b>	<b>228,125</b>

## 20. Post balance sheet events

There are no post balance sheet events to report.

## 21. Detailed comparatives for the statement of financial activities (2021)

	Unrestricted Funds (£)	Restricted Funds (£)	2021 Total (£)	2020 Total (£)
<i>Income from:</i>				
Donations and legacies	945,737	-	<b>945,737</b>	609,316
Charitable activities				
Consulting	1,718,663	191,671	<b>1,910,334</b>	1,897,667
Think tank	-	433,640	<b>433,640</b>	448,911
Communications	21,585	-	<b>21,585</b>	49,367
Other trading activities	-	-	-	7,838
Other income	63,588	-	<b>63,588</b>	52,881
Investments	77	-	<b>77</b>	685
<b>Total income</b>	<b>2,749,650</b>	<b>625,311</b>	<b>3,374,961</b>	<b>3,066,665</b>
<i>Expenditure on:</i>				
Raising funds	255,943	-	<b>255,943</b>	208,399
Charitable activities				
Consulting	1,338,453	178,833	<b>1,517,286</b>	1,602,346
Think tank	401,826	394,749	<b>796,575</b>	1,025,411
Communications	325,389	-	<b>325,389</b>	389,117
<b>Total expenditure</b>	<b>2,321,611</b>	<b>573,582</b>	<b>2,895,193</b>	<b>3,225,273</b>
<b>Net income/(expenditure) for the year</b>	<b>428,039</b>	<b>51,729</b>	<b>479,768</b>	<b>(158,608)</b>
<b>Transfers</b>	<b>(18,800)</b>	<b>18,800</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	<b>409,239</b>	<b>70,529</b>	<b>479,768</b>	<b>(158,608)</b>
Balance brought forward at 1 July	272,347	259,404	<b>531,751</b>	690,359
Balance carried forward at 30 June	681,586	329,933	<b>1,011,519</b>	531,751

# Reference and administrative details



**Charity registration number:** 1091450

**Company registration number:** 4244715

**Trustees:**

- Delroy Corinaldi
- Meera Craston (appointed December 2022)
- Lucy de Groot (Vice-Chair)
- Vaughan Lindsay (Chair)
- Sir Harvey McGrath
- Francesca Perrin
- Fiona Rawes
- John Stares (Vice-Chair)
- Albert Tucker
- Emily Wheeler (appointed August 2022)
- Peter Wheeler

**Chief executive:** Dan Corry

**Registered office:** Harling House, 47-51 Great Suffolk Street,  
London, SE1 0BS

**Auditors:** Haysmacintyre LLP,  
10 Queen Street Place,  
London EC4R 1AG

**Bankers:** NatWest, Charing Cross Business Centre,  
3rd Floor, Cavell House  
London WC2H 0NN

**Legal advisers:** Bates, Wells & Braithwaite,  
10 Queen Street Place  
London EC4R 1AG

# About NPC

NPC is a charity think tank and consultancy. We help charities, foundations, philanthropists, impact investors, social enterprises, corporates, and the public sector to maximise social impact in the lives of the people they serve.

**As a charity, we rely on the generosity of our supporters. Find out more about how you can support our work to transform the sector.**

*“Good ideas, effective research,  
independent thinking.”*

NPC Survey



**NEW PHILANTHROPY CAPITAL**

England & Wales - Charity number 1091450

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# Accounts

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**Annual Report 2020/21**  
New Philanthropy Capital



Improve

Innovate

Influence

# In this report

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## Delivering on public benefit

In reviewing NPC’s aims and planning future activities, the trustees have given careful consideration to the Charity Commission’s general guidance on public benefit.

Our vision and mission show that NPC is committed to helping charities and funders to achieve a greater impact. Our beneficiaries are therefore anyone helped by charities and funders—that is, the public at large. All our activities contribute to our strategic aims and are for the benefit of the public.

This report has set out NPC’s activities and achievements and illustrates how they benefit charities and funders. By helping charities and funders to achieve a greater impact, we ultimately help the people that these charities and funders serve.

*“NPC brings a great focus to what’s important and what can have the most impact for charities so we can best serve our world.”*

**Survey respondent**



## Foreword from our Chair



Making a difference is what drives everyone working in the charity sector. But making a difference is hard, and knowing you've made a difference and maximising that impact is harder still. That's why NPC works with charities, funders, policy makers, social investors, and businesses to help them set strategy, understand the issues, and measure what effect they are having. In doing so, we help these organisations to maximise social impact in the lives of the people they serve.

We've made some important changes this year to our approach, by incorporating more fully a diversity, equity, and inclusion lens to our work. For example, we're thinking about how inequalities affect evaluation and collaboration, and what charities and funders should do about it.

None of this can be done on our own, so I'm immensely grateful to my fellow trustees for their time, generosity, and insights that have enabled NPC to navigate through the pandemic and continue to provide expert advice when our sector most needed it. I'd like to welcome our new trustees, Fiona Rawes and Albert Tucker, who I know will bring fresh expertise to our decision-making. Thank you too to the NPC staff for all their work. Equally, I'd like to thank everyone who has worked with us, whether as a funder, a client, an event attendee, or one of the many who read our work and put it into practice. Creating an impactful social sector takes all of us.

**Vaughan Lindsay, Chair**



## Introduction from our CEO



It's been another tough year for charities. But amidst the covid catastrophe there has also been great change, and not all those changes are bad. Our Rethink Rebuild initiative is about seizing upon the positive shifts to rebuild the charity and philanthropy sector we need. Throughout this year we've convened hundreds of voices from charities and funders to learn what's changed, what's working, and how we should carry this forward as a sector.

We've also been contributing to the government's flagship Levelling Up agenda, through our analysis of where the money is going, and how that compares with what people expect from it. We're arguing for a greater emphasis on social needs, not just physical infrastructure.

We continue to develop our core approaches like theory of change, for which this year we've developed a new guide on using theory of change for campaigning, as well as moving into new areas like measuring the impact of impact investing.

As we move into the next phase of recovery, we're continuing to help the sector adapt to the new challenges ahead through our consultancy, advice to funders, and data. I'd like to thank our staff, our trustees, our clients, and our supporters, with whose help we continue to innovate, influence, and improve.

# Our year at a glance

The charities and funders we work with range from household names and major grant makers to smaller charities and private donors. In 2020/21 we worked with 102 consulting and think tank clients, including charities, trusts and foundations, philanthropists, businesses and government departments, through which we've helped improve the lives of the many beneficiaries these organisations serve. We believe in working with clients over several years to help them deliver sustained impact for their beneficiaries, so we're delighted that two thirds of our clients this year were repeat business.

We hosted 33 online events, welcoming over 3,000 delegates and hosting 99 speakers. Our events have continued to be incredibly popular, with going online enabling us to reach a wider audience and offer more free content for smaller charities.

We've shared important thought leadership through our work on theory of change, evaluation, strategy, our State of the Sector research, and our Rethink, Rebuild initiative. We continue to help philanthropists, funders, charities and policy makers navigate the covid-crisis through our free online resources. Over 60% of our survey respondents say that NPC has influenced their thinking, and over 40% have taken action or plan to as a result of their interaction with us. Over 70% say NPC has a positive influence on the sector.

Our website remains a popular source of free resources and think pieces with 403k unique views, up from 402k. We have 24k followers on Twitter, up by 863, and we've featured in mainstream media including the Times, the Telegraph, and Forbes.



# Our mission and values

As a charity think tank and consultancy, our mission is to change lives by helping charities, foundations, philanthropists, impact investors, social enterprises, corporates, and the public sector to maximise social impact in the lives of the people they serve. We bring the following values to our work:

## **We value honesty and integrity, even when it's hard**

We aim to be a critical friend to the sector, spurring it on when it's doing well and using our independence to challenge when we know it can do better. We want our clients and the whole sector to succeed in their missions, so we're not afraid to question those we work with in a constructive and empathetic way.

We encourage our staff to question and challenge because we believe it's through honest discussion and debate, and being willing to challenge the status quo, that we can learn and improve, stimulate bold thinking and effectively support the needs of the sector.

## **We care about evidence**

We believe decisions should be based on meaningful evidence. The quality, generation and integrity of evidence matters, and proportionality is crucial.

We don't take shortcuts to chase headlines but work hard to uncover and analyse the details that matter. We develop credible and practical solutions which are grounded in an understanding of the strengths and limitations of the evidence.

## **We innovate and learn**

If we are to stay ahead of social challenges, we must think for the future and embrace uncertainty, innovation and learning. We create, develop, and test new ideas and learn from what works and what doesn't. This requires us to be humble, agile, and open to failure.

We don't believe in change for change's sake, but if we are to be serious about creating positive social change then we all need to get out of our comfort zones to learn and evolve.

# Our values



## **We're committed to inclusion, equity, and diversity, in all its forms**

We value all voices and perspectives. Our sector exists to serve all people in society, yet too often our structures and work can reinforce existing inequities and power imbalances. We want to see greater diversity, more inclusive practices and healthier power dynamics in the charity sector, and we strive to include and amplify different voices in our work.

We recognise our own power and share this in pursuit of our mission. We seek to improve NPC as a diverse, inclusive and equitable place to work, and ensure our publications and events are accessible to all.

## **We work with others**

Charities and funders need to break out of their silos – ourselves included! Improving coordination, collaboration and shared understanding is vital to improving our collective impact. We put collaboration at the heart of our work by recognising the expertise of others, and through being a bridge between charities and funders.

Collaboration must be for a purpose, not just for its own sake. We recognise that we aren't always the experts, and we can't do things alone, so we strive to listen to and share with others.

**In everything we do we strive to be clear, committed, passionate, bold, open, and imaginative. Our enthusiasm is deeply rooted in our passion for improving the lives of the people charities serve.**


*“NPC stretched us, challenged us, kept us on track and made us realise what we are capable of.”*

**Shonaig Macpherson, Chair, The Robertson Trust**

## Our objectives, activities, achievements, and performance

Our mission is to change lives by helping charities, foundations, philanthropists, impact investors, social enterprises, corporates, and the public sector to maximise social impact in the lives of the people they serve. This year we focused on:

1. Using our data, voice and convening power to put the sector and social inequalities higher in the minds of policy makers and the sector, with deep dives into specific areas of concern.
2. Highlighting what has worked well during covid that the sector should keep and improve.
3. Supporting charities to rethink their strategies and governance for the post-covid era.
4. Urging and embedding more impactful behaviour and practices by grant makers and other funders.



*“You are one of the few sources of informed and independent thinking. Your resources are practical and robust. I wish more in the sector knew of you, used your learning and changed their practice.”*

**Survey respondent**

# 1. Using our data, voice and convening power to put the sector and social inequalities higher in the minds of policy makers and the sector, with deep dives into specific areas of concern.

Given what covid has exposed, we think charities, funders and philanthropists need to do more to tackle social injustice. We've been contributing to this effort through:

- Putting the sector higher up in policy makers' minds, such as through our [analysis of the Levelling Up funds](#), so as to strengthen the involvement and influence of the sector.
- Helping charities and funders use measurement and evaluation to adapt, such as through our evaluation of the [Youth Investment Fund](#) and the [Building Connections Fund](#).
- Showing how data can help us all to focus better on need and capacity, including through our [Interactive Databank](#).
- Helping EU citizens secure their rights post-Brexit, through our work on the [Transition Advice Fund](#).
- Bringing charities, funders and philanthropists together to debate leading ideas at our popular [events](#).

*“NPC is a thought leader yet at the same time focused on the practical side of the work, providing solid, hands-on guidance and support.”*

**Survey respondent**

# Spotlight: Levelling up

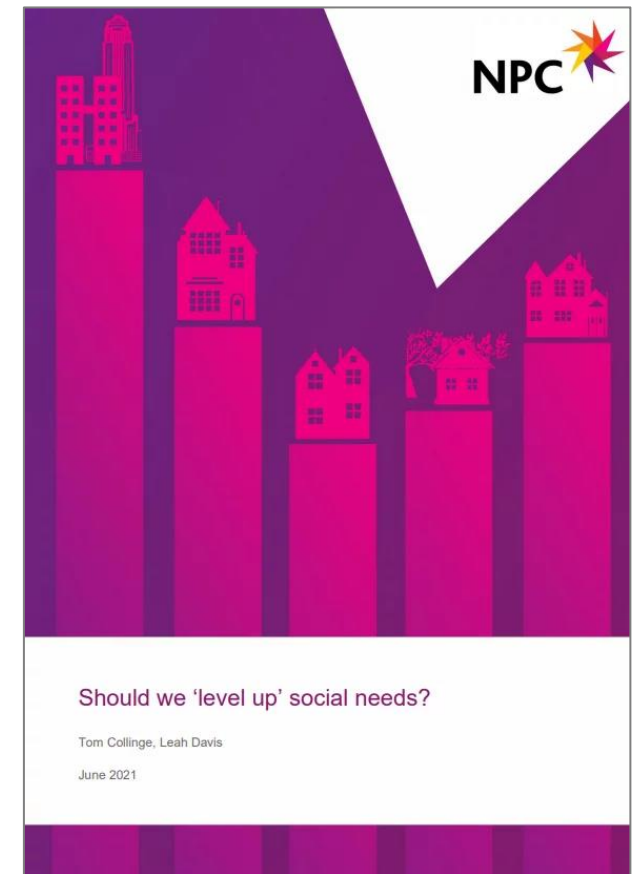
The government's 'levelling up' agenda will be the focus of this Parliament. We've been tracking this flagship policy to understand where the money is going, what it means for the social sector, and what tweaks could be made to harness the power of charities, funders and philanthropists already serving their communities.

[Our analysis](#), covered in [the Times](#) and on Times Radio, warns that tackling social issues like homelessness, poverty and crime are merely a peripheral feature. Hard infrastructure and high streets have taken almost all of the money announced so far.

We believe the levelling up agenda should address social needs alongside improving physical infrastructure. We're not alone in thinking so. Our polling revealed that

the public expect social needs like homelessness to be prioritised. We're not disputing that we need to improve Britain's infrastructure. But social injustices extend far beyond transport and highstreets.

Our analysis can be used by the sector to see where money is going and where charities, funders and philanthropists could contribute. We think levelling up funds should have collaboration with charities and community groups hardwired into them. We will continue to make this argument to policy makers, backed up by further research on how charities and their funders could contribute to this agenda. We were delighted to discuss this agenda with Danny Kruger, PPS to Michael Gove, at our 2021 NPC Ignites conference (2021/22).



## Spotlight: Our local needs databank

We have built an [interactive databank](#), to help charities, funders, philanthropists and policy makers see who is most affected by Covid-19 and it's social impact. Charities, funders and philanthropists can use this databank to find out more about needs and services in their region and better target their work.

Our dashboard combines statistics on Covid-19 and local demographics with charity data from Buttle UK, Turn2us and British Gas Energy Trust, allowing us to better understand what charities are experiencing on the ground, and use this information to lobby policymakers. Anyone using our dashboard can choose what

matters most to them, or what they are best equipped to engage with.

We created this resource because there are large amounts of data available from official sources which tell us about the health and economic vulnerability of certain places and communities, but it was spread across numerous sources and was hard to compare with other data.

We'd like to thank Buttle UK, Turn2us and British Gas Energy Trust for sharing their data with us, and to encourage others to join this initiative as well. We're grateful to the Health Foundation for supporting this work.

*NPC's Covid-19 data tracker is one of the best resources I've seen globally that aims to track areas of greatest need in our communities due to coronavirus. A clear, aggregated, data-driven view of the people and places that need extra support is particularly needed right now as charities and donors struggle with prioritization of resources and efforts.*

**Parastou Youssefi, Senior Program Officer,  
Bill & Melinda Gates Foundation**

# Spotlight: Helping EU citizens secure their rights

Since the referendum, civil society groups have been seriously concerned about not enough being done to help vulnerable EU citizens protect their right to live and work in Britain.

In line with the referendum promise that EU citizens who have made Britain their home would be protected, EU citizens had until 30 June 2021 to apply for Settled Status. We managed the Transition Advice Fund (TAF), a pooled fund supporting civil society groups to help improve the EU Settlement Scheme and ensure maximum take-up among vulnerable people who might otherwise miss out on their rights.

This year we [published what we learnt](#) from managing this fund and from working with the Home Office to improve the Settled Status scheme. We hope these lessons will help improve future immigration schemes and any other government initiatives that rely on digital technology and mass uptake.

We are grateful to those who have funded TAF: Unbound Philanthropy, The Legal Education Foundation, The Paul Hamlyn Foundation, Barrow Cadbury Trust, and Open Society Foundation for their guidance and support, and most importantly for giving us the chance to work with so many excellent charity partners on such an important issue.



# Spotlight: Bringing people together

At NPC we bring both leading and underheard voices together through our popular events series and our NPC Ignites conference. This year we held 33 events, hosting 99 speakers and welcoming over 3,000 attendees. We are working hard to improve diversity at our events. 29% of our speakers this year were ethnic minorities and we now have a bursary programme for small charities, minority-led charities, and ethnic minority delegates.

Notable speakers include Danny Kruger MP, Rachel Maskell MP, Baroness Casey, Baroness Barran, Helen Barnard (JRF), Steve Douglas (St Mungos), Jabeer Butt (Race Equalities Foundation), Danielle Walker Palmour (Friends Provident Foundation), and Neil Heslop (CAF).

Meanwhile, we have used our blog to give a platform to both large and small charities, and to politicians in both the government and the opposition.

This included a blog from Baroness Barran, Minister for Civil Society, on [why the sector needs better data and transparency](#). We also published a piece from her Labour counterpart, Rachael Maskell MP, on [the role of power and partnerships in achieving social change](#).

We contributed to sector debate on topical issues with guest blogs on [Hong Kong, refugees](#), and the [vaccination campaign](#). As well as structural issues like [how to counter the problem of rising need and falling income in a time of crisis](#).

## Our philanthropy network

In response to the global uncertainty brought about by the pandemic, we launched monthly networking events for philanthropists and other funders. These drop-in events are a collaborative space which encourage discussion and the sharing of ideas, with participant numbers deliberately kept small to encourage richer conversation.

These events have allowed individual philanthropists and staff and trustees at grant-making organisations to continue engaging with NPC's work. The sessions feature both an NPC speaker and an external speaker (past speakers include Harriet Stranks, Director of Grants at Lloyds Bank Foundation and Anna Pulford, Grants Manager at Dulverton Trust) who speak on a wide range of topics, such as the north/south divide in philanthropy, funding systems change, and whether philanthropy needs greater transparency and openness.

Like everyone else, we don't know how long Covid-19 will continue to affect us, but we remain certain that we can provide collaborative and engaging virtual platforms for funders and philanthropists to engage with one-another, share views, ideas, and opinions with peers, and to continue to engage with our work to transform the social sector.

## 2. Highlighting what has worked well during covid that the sector should keep and improve.

Crises have a tendency to shake things up. Both good and bad are uncovered as what appeared foundational begins to crumble. Amidst the tragedy, many good things are emerging. The immediate focus on need, on getting things done and getting them done fast, has unleashed adaptation that would take decades in normal times.

Examples include better use of digital, shared data and other innovations; deeper collaboration; major changes in our relationship with the public sector (both in advocacy and service delivery); and taking a systems change approach to helping places improve. We want to help the sector make the most of these advances.

- We've been working with others through our [Rethink Rebuild](#) initiative to assess which changes we should embrace and how.
- We've investigated how covid has changed charities through our [State of the Sector](#) research, so funders can target their giving.
- We've helped loneliness services and funders adapt to remote digital delivery through our evaluation of the [Building Connections Fund](#).
- We worked with young people to design a [proof of concept app](#) to help them navigate services in their area.
- We published a series of [Q&As with small charities](#), to capture the perspective of local frontline charities during the pandemic and how funders can support the work they are doing to adapt.

*“Good quality research grounded in the day-to-day work of charities and an understanding of the changing external environment.”*

**Survey respondent**

## Spotlight: Rethink Rebuild

Seismic shifts are occurring in our sector – not just in practices, but also in attitudes. Such a shift is critical. For systems to change, the attitudes and beliefs that created them have to change first. Through our [Rethink, Rebuild](#) initiative, we've seen plenty of evidence that this is happening across the charity and philanthropy sectors. Although undoubtedly challenging, these shifts make it an exciting time for the sector.

We've been speaking with funders, infrastructure bodies, and charities of all sizes, to understand the changes taking place and how to make the most of them as the country rebuilds from the Covid-19 pandemic. In interviews, workshops and roundtables

we've been exploring the challenges and opportunities created by the pandemic, as well as those pre-existing ones that have been revealed and amplified by it.

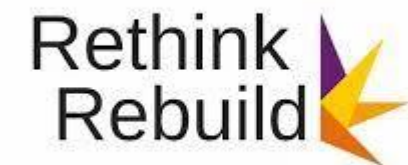
We've been sharing our responses to these challenges on our NPC Labs site. We have also connected with other organisations who are seeking to shift practices at a systemic level, providing a space for them to share their ideas and initiatives.

Shortly after year end, we published the big ideas from our consultative work on these issues, along with a roadmap for their practical application on-the-ground.

We are grateful to the Gatsby Foundation for supporting this work.

*“Forward looking and very timely exposing the threats and opportunities arising from the pandemic.”*

Survey respondent

 Rethink Rebuild

# Spotlight: State of the Sector

We analysed [how Covid-19 is changing charities](#) and explored the tensions in how they've responded. Our research helps funders, commissioners and policy makers by showing how the needs served by an already overstretched sector have intensified.

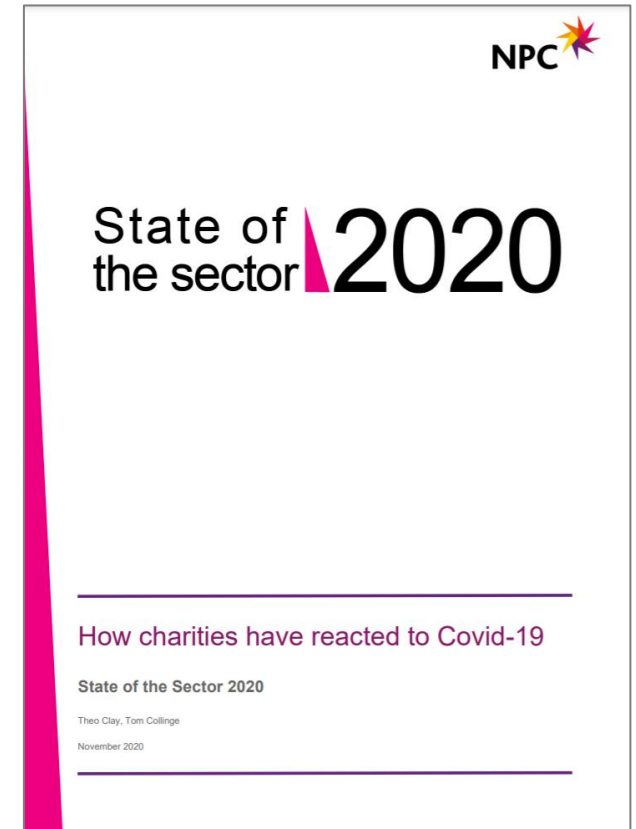
Coronavirus has created new needs and made charities' activities more difficult. It's getting tougher to secure funding, and rapid change makes it hard to deliver on funding requirements.

Charities have responded in a variety of ways, but all come with trade-offs. This means that at a time when charities are needed most, important long-term planning is being stripped back to meet emergency demand. It may be difficult, but our research warns why charities and funders need to be thinking about the long-term implications of the shifts they are making.

Whilst planning and impact measurement must be proportional to charities' resources, funders should support charities to at least make some assessment of how the changes they've made are affecting their beneficiaries, so they can decide which changes to keep long term and which to move on from.

This work followed on from our research on where we stood as the crisis hit, which was cited by Danny Kruger in his recommendations to the Prime Minister on the role of civil society in Britain's covid recovery, and for which we hosted the then civil society minister Baroness Barran at the launch.

We are gratefully to PwC, Barrow Cadbury Trust, Lloyds Bank Foundation, Odgers Berndtson, and our supporters circle for supporting this work.



## Spotlight: Learning from and helping small charities

We conducted a series of Q&As with small charities to explore the impact Covid-19 has had on different sectors, and how philanthropists can help. This work took place across both 2019/20 and 2020/21.

We spoke to small charity leaders working with children who are disabled, people who are Deaf, older people, people who are homeless, and people needing support with addiction, housing or fleeing domestic abuse.

From this work we were able to learn and share

frontline experiences of the covid crisis. We explored how service users are affected by Covid-19, how small charities have innovated in response, the impact of the crisis on small charities as organisations, what small charities expect for the future, what the pandemic reveals about the state of the sector, and what philanthropists can do to help.

What we learnt has shaped our future work, such as our Rethink Rebuild initiative, and helped bring the experience of smaller charities to a wider audience.

*“[NPC] challenges, encourages innovation, and provides guidance in a very clear, productive way.”*

Survey respondent



# Spotlight: Loneliness

We published our [‘Tips to help your remote project tackle loneliness’](#) based on our developmental evaluation of the Building Connections Fund, the first ever cross government fund dedicated to reducing loneliness in England, delivered in partnership with The National Lottery Community Fund and the Co-op Foundation. We were commissioned by DCMS as the evaluation partner.

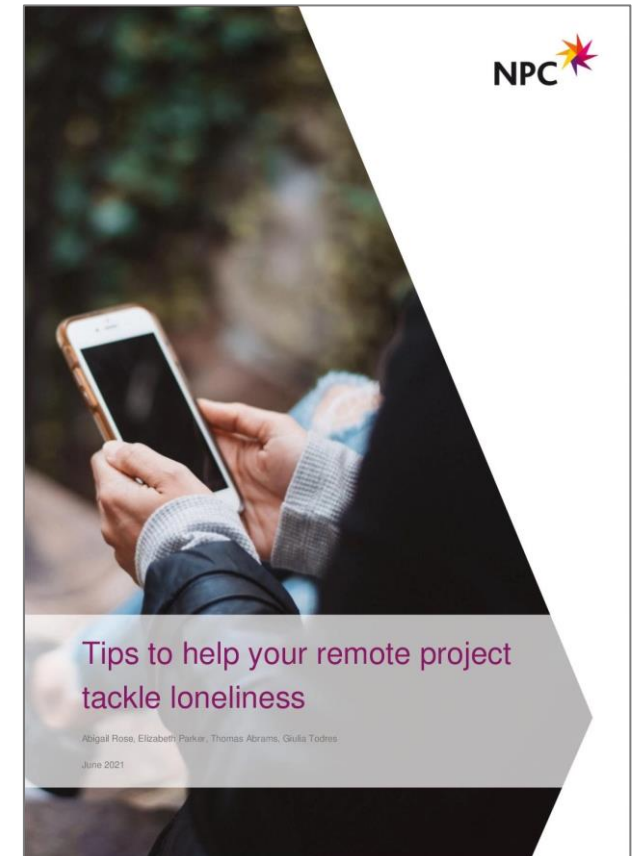
We supported grant holders by sharing emerging good practice for addressing changing needs and rules throughout the Covid-19 pandemic.

Our evaluation during the pandemic taught us that continuous learning is key to adapting services to

prevent or reduce loneliness during times of change.

It’s likely that charities will continue to offer a hybrid of remote and in-person services for many years to come, so we published this good practice so the lessons learnt from Covid-19 are not forgotten.

Covid-19 has forced charities to innovate faster than ever before. We hope that by publishing these tips for running a remote project to tackle loneliness we can help the many charities tackling similar challenges to build on these lessons, both now and in the future.



# Spotlight: Digital innovation – My Best Life

Our research has shown that young people find it hard to find adequate support, and when they do, it rarely feels ‘for them’.

[My Best Life](#) is NPC’s collaborative project to help tackle this problem. We are working with Lambeth Council and organisations from across Lambeth to develop a proof of concept progressive web app that helps young people discover services and opportunities in their local area.

We’ve been putting young people in the driving seat to design and develop a tool to help them find what’s best for them. In piloting this proof of concept, we’ve been learning what aspects of the app (design, usability, content, categorisation etc.) enhance and hinder young people’s ability to find what they’re after.

We’ve been working closely with our partners at Lambeth Council and our project steering group: The Mix, UK Youth, Founders and Coders, Integrate CIC, Leap Confronting Conflict and Cambridge Council, and we’re grateful to Paul Hamlyn, Zing and Comic for supporting this work.

Most importantly, we’ve been working closely with young people, through our Young Person Steering Group, through Lambeth Council’s Youth Advisory Board and other forums for engaging and testing with young people as we go.

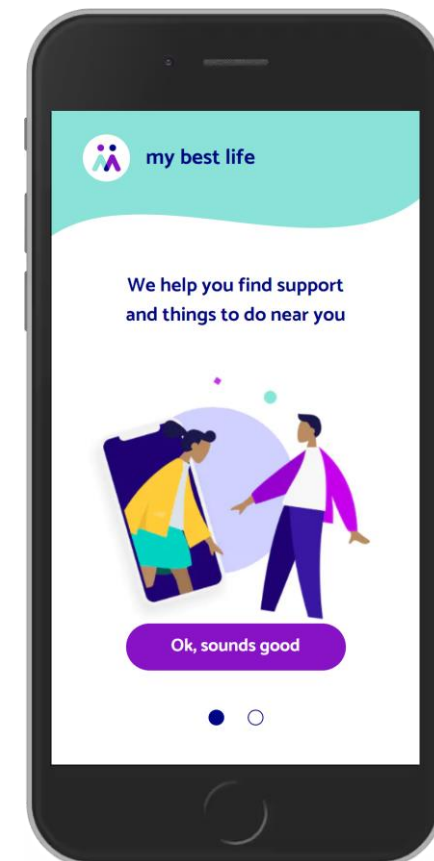
We launched our app in BETA in June. This was our first opportunity to test the concept in real-life settings, to understand how young people use and respond to the product, and whether it adds value to them.

*“I feel like all our ideas have been listened to. And they’ve really taken into consideration how to make this app the best.”*

**Young person**

*“It’s inclusive of all types of people ... you’ve given them something to do that’ll help them.”*

**Charity worker**



### 3. Supporting charities to rethink their strategies and governance for the post covid era.

We're helping to build up the resilience and impact of charities and the sector, including through helping charities to rethink and refresh their strategies.

- We partnered with decision-science consultancy Leapwise to explore [how decision making by charity boards has changed during the crisis and how to strengthen it for the new challenges ahead](#).
- We published a [new guide](#) to using theories of change for campaigning. Building upon our popular [Theory of change in ten steps](#), we encourage campaigners to spend more time on the situation analysis, reflecting on the root causes of issues, the context of your work, the stakeholders involved, and your distinct contribution to change.
- As part of our Rethink, Rebuild initiative, we set up a [Rethink Strategy Lab](#) to explore what it means for charities to be resilient, agile and adaptive, within and beyond the age of Covid-19.
- We developed guidance on [trauma, gender and culture-informed approaches](#) to help charities, philanthropists, commissioners and policymakers better understand how to support people who have faced or who are facing trauma and how to meet people's needs in a gender and culture-sensitive way.
- We continue to support charities and funders with their theories of change, such as [the Kooth online counselling service](#), and environmental organisations like [Client Earth and On the EDGE Conservation](#).

*"I've had my whole team engage with the NPC's resources for creative evaluation and they're all trialling them for their various projects."*

**Survey respondent**

*"[NPC's] thought pieces have helped us assess where we are in relation to the operating environment and how we navigate ourselves out of COVID and into the next stages of our three year strategy."*

**Survey respondent**

# Spotlight: Charity boards in recovery

As we prepare for the post-crisis future, charity leadership teams will want to make decisions that allow them to seize opportunities, manage risks and embrace change.

At NPC we are always sharing best practice and discussing new ideas and policies designed to improve governance across the charity sector, and hence to improve the impact the sector can achieve.

Throughout the Covid-19 crisis, governance has been on our minds, from considering [what charity trustees should be thinking about as the crisis hit](#), to [how trustees can build resilience through and beyond the crisis](#).

Building on this work, we partnered with decision-science consultancy Leapwise, who work mainly with senior public and private sector leaders to support strategic decision-making and build more effective governance and decision-making approaches across organisations. We worked together to [explore how decision making by charity boards has changed during the crisis and how to strengthen this for the next chapter](#).

We saw this as a great opportunity to widen the sector's toolkit at a critical time. A summary of this work was also published by CharityJob, and we continue to run a popular event series for trustees sponsored by The Clothworkers' Company.



# Spotlight: Theory of change for campaigning

Campaigning is a crucial means for achieving societal change. In our [State of the Sector](#) research we learnt that almost two thirds of charities seek to influence policy, which makes campaigning a vital part of our sector and central to our democracy.

But passion alone doesn't equal progress. You need a clear idea of what you're trying to achieve and how you're going to get there. A theory of change can help.

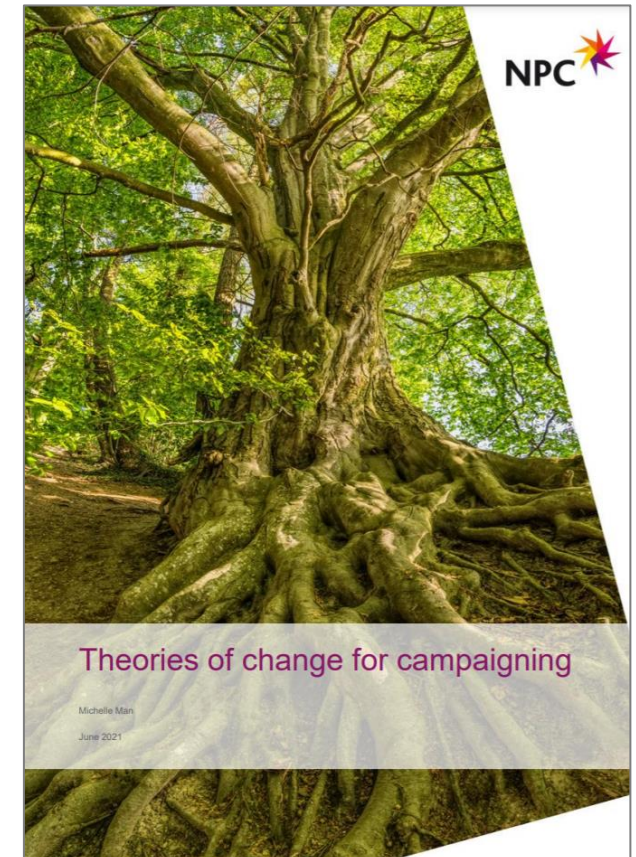
We published a [new guide](#) to using theories of change

for campaigning. Building upon our popular [Theory of change in ten steps](#), we encourage campaigners to spend more time on the situation analysis, reflecting on the root causes of issues, the context of your work, the stakeholders involved, and your distinct contribution to change.

We're excited to be applying our expertise on theory of change to this increasingly prominent aspect of charitable activity.

“We have developed a theory of change and are using a framework developed with NPC for co-production of a campaign with service users.”

Survey respondent



# Spotlight: Agile strategy

As part of our Rethink, Rebuild initiative, we set up a [Rethink Strategy Lab](#) to explore what it means for charities to be resilient, agile and adaptive, within and beyond the age of Covid-19 (and how funders can help them achieve this).

We've convened a peer network of charity leaders and managers, who are contemplating how to make their strategies more adaptive and resilient. We hope this brings together those in the sector who are grappling with the same challenges, to explore questions and solutions.

We've reached out to those also grappling with these challenges, to get their perspectives and to talk through the various challenges and possible solutions.

We've connected and collaborated with other organisations, and with existing collaborations and programmes exploring this work, such as the CAF Resilience Programme.

We've regularly shared insight and practical advice, and invited comments and challenges. We look forward to publishing our full findings and recommendations for the sector.

## Questions we're asking

What happens when there is a mismatch between existing strategy, and the evolution of the organisation through the pandemic?

What factors have supported effective adaption?

What have we learned about making good decisions quickly that can be applied in the post-pandemic world? Are there risks in the decision-making practices that have evolved?

Has the pandemic uncovered weaknesses or failures in the quality and suitability of strategic planning in the sector?

Can we challenge ourselves to tackle strategic questions for the organisation through a systems lens rather than putting our organisation at the centre?

# Spotlight: Trauma, gender, and culture informed approaches

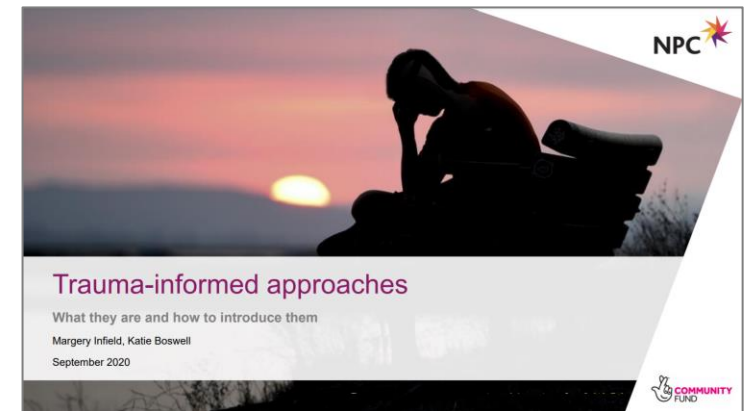
For anyone working in an open-access service for people facing multiple disadvantage, it's vital to be able to recognise trauma and how it might stand in the way of outcomes you are working towards.

We developed two [guides](#) that outline the core principles of trauma, gender and culture-informed approaches to help charities better understand how to support people who have faced or who are facing trauma and how to meet people's needs in a gender and culture-sensitive way.

We hope too that our guidance will be invaluable

for philanthropists, commissioners and policymakers looking to fund, commission or influence effective services.

Our guides on trauma, gender and culture informed approaches were produced as part of a research partnership with Fulfilling Lives Lambeth, Southwark and Lewisham. They were based on a literature review by the Centre for Regional Economic and Social Research based at Sheffield Hallam University.



# Spotlight: Inspiring Impact – resources for small charities

The [Inspiring Impact](#) programme makes impact practice simple for charities, funders and social enterprises, particularly smaller organisations. Key highlights this year include our [Impact Stories](#), which give examples of individual organisations overcoming obstacles on the path to better impact practice.

Attendance our online peer learning events run by our partners, Evaluation Support Scotland, Social Value UK and WCVA in Wales, has been consistently high, and engagement with our website has increased slightly. Consistently popular pages include our [Resource Library](#), [Measuring Up self-assessment](#), and our [‘Plan’ page](#) (how to review existing data, identify goals, understand audiences, prioritise data collection etc.).

We continue to see both ‘prove’ and ‘improve’ motivations from those taking part. Participants’ key takeaways from events included understanding the importance of planning; how to reach non-users to collect data; and how to integrate data collection into routine delivery. Some participants commented that they enjoyed learning about the practical (not just theoretical) side of impact measurement.

Our delivery partners have noted an increased demand for follow-up support after events, particularly in navigating all the guidance and tools available, which some partners have the resources to provide whilst others don’t.

As we bring Inspiring Impact concludes, we’ll be bringing much of the content into the NPC website, so it can continue to benefit smaller charities.



## 4. Urging and embedding more impactful behaviour and practices by grant makers and other funders.

We want to encourage philanthropists and impact investors to fund in ways that will support resilience, collaboration, data use and sharing, and to look everywhere for impact integrity.

- As the crisis shifted from acute to chronic, we explored [the shifts in practice we have seen](#), what shifts we think are valuable, and what else funders could be doing.
- We're reworking our impact risk classification to make it as simple as possible to assess whether an impact investment is applying good impact practices and to estimate the correlation quality of impact practice and impact achieved. Our framework gives investments a score based on how good their impact practice is.
- We worked alongside the Centre for Youth Impact to [evaluate the Youth Investment Fund](#). Our evaluation was the largest shared evaluation of open access youth provision ever attempted in England.

*“NPC provides the analysis that we on the ground don't have the time to think about, both at a sector level and in consultancy work with individual charities.*

*This adds a massive amount of value and gives us the tools to better understand our own contexts and the dynamics in which we are operating.”*

**Survey respondent**

# Spotlight: Shifting your funding practices

As the pandemic drags on, the crisis for charities shifted from acute to chronic. It no longer made sense to think of emergency funding to tide charities over until ‘beyond the crisis’.

We now know that Covid-19 is a prolonged crisis that will have far-reaching impacts across the whole of society for years to come.

Several funders that paused their normal funding to offer emergency grants for a few months started reviewing their strategies to respond to the longer-term crisis. Funders have been keen to

understand how they can complement government money and address gaps.

We explored [the shifts in practice we have seen](#), what shifts we think are valuable, and what else funders could be doing.

We advised funders to re-engage with grantees, regularly review how much they give, redefine relationships based on trust, focus on equity and fairness, use all their assets, support the resilience of the sector, collaborate more and better, and review their longer-term strategy.

*“How philanthropists act now will determine how charities are able to tackle this crisis in the short term, their institutional survival in the medium term, and the resilience of our sector to keep serving people in the long term. Our updated guidance provides detailed advice based on our experience of helping charities and funders before and during the pandemic.”*

**Dan Corry, Chief Executive, NPC**

*“When NPC shares information about the different philanthropic actions, that helps the charity sector level up its game.”*

**Survey respondent**

[thinkNPC.org/coronavirus](https://thinkNPC.org/coronavirus)

# Spotlight: Measuring the impact of impact investing

We want to see more transparency in the impact investing field, so we're reworking our impact risk classification to make it as simple as possible to assess whether an impact investment is applying good impact practices and to estimate the correlation quality of impact practice and impact achieved. Our framework gives investments a score based on how good their impact practice is.

We want to make it as easy as possible to assess impact, so that impact investors can deploy capital quicker, not get bogged down in measurement debates, and ultimately do more for the beneficiaries they seek to help.

We have tested the framework on organisations who have taken part in the [Justice Data Lab](#). The JDL provides independent and comparable impact metrics for

organisations, which has allowed us to assess how well correlated different aspects of impact practice are with impact achieved. We're seeking to determine a causal link between good impact practice and good impact achievement. This assumption has never been tested before. If a link can be shown, then this suggests good impact practice is a useful predictor of impact achieved.

Proving that good impact practice works has significance beyond just the impact investing space. Impact practice is easier to measure than impact achieved, so using it as a proxy creates new possibilities for smaller charities who would find conventional impact measurement too burdensome.

This work began in 2020/21 and continues into 21/22.



# Spotlight: Evaluating the Youth Investment Fund

We worked alongside the Centre for Youth Impact to [evaluate the Youth Investment Fund](#), one of the biggest investments in open access youth provision in recent years, funded jointly by the Department for Digital, Culture, Media and Sport and The National Lottery Community Fund. Our evaluation was the largest shared evaluation of open access youth provision ever attempted in England.

We found that open access youth provision may significantly improve social and emotional learning skills for young people, particularly those with most to gain. This finding is especially pertinent now, given the [impact of lockdown](#) on young people's education and wellbeing.

Our evaluation demonstrated that higher quality youth provision is linked to better outcomes for young people, especially around social skills, self-confidence, leadership, communication, self-expression, social connectedness and happiness and wellbeing, which we know are linked to longer term impacts in educational attainment, employment and health.

Our economic analysis suggests that over a 25-year period the Treasury may get back between £3 and £13 for every £1 invested in these specific youth services, via increased tax revenue or reduced cost of public services. This is only an initial estimate, but it presents an opportunity for future targeted research.

*“The YIF Learning Project broke new ground in generating fresh insights into the impact of open access youth provision, through an innovative yet rigorous methodology. For the first time we’ve established a credible and potentially powerful approach to understanding the influence and value of open access youth provision in the lives of young people.”*

**Bethia McNeil, Chief Executive,  
Centre for Youth Impact**

## Our future plans

**Innovate:** Develop innovative approaches and new resources, focusing especially on how digital and data can enable the sector to maximise impact.

**Influence:** Use our data, voice, and convening power to put the sector and social inequalities higher in the minds of policy makers, with deep dives into specific areas.

**Improve:** Support the sector to rethink and rebuild post covid-19, including what to keep, what to improve, and what lessons have been learnt, as well as urging and embedding more evidence-led impactful practice throughout the sector.



*“I think it's a massive positive to have an organisation supporting both charities and philanthropists to have the greatest impact.”*

**Survey respondent**

# Financial review: 2020/21 results at a glance

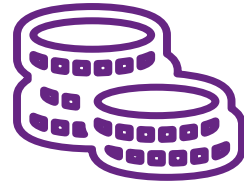
## Where our money comes from

57% from our consulting

13% from our funded think tank projects

28% from unrestricted donations

2% from events and other income



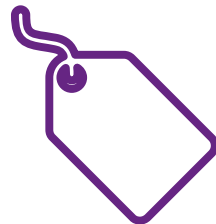
## How we spend our money

52% on consulting

28% on think tank research and advocacy

9% of raising funds

11% on events and communications



## Our reserves

Our free reserves and committed income would cover 7.4 months of planned expenditure.

This is slightly higher than our reserves policy, which reflects that:

1. There is continued uncertainty as we emerge from the Covid-19 crisis period
2. We expected a deficit in the financial year ending 30 June 2022.



**Our statement of financial activities for the year to 30 June 2021 is set out on page 58 of this report.**

We rely on the generosity of our supporters to continue our work to transform the sector. Learn how you can support our work at

[thinknpc.org/support-our-work](https://thinknpc.org/support-our-work)

# Financial activities

## Income

Our total income for the year was £3,374,961, an increase of 10% (2020: £3,066,665).

### Consulting and think tank: £2,343,974

- An overall decrease of <1% (2020: £2,346,578).
- Year on year comparisons can be distorted by the amount of grant income received for the purpose of making grants to other organisations. This affects both our reported income and costs. Our 2021 income for making grants was £131,845, which was significantly less than in 2020 (£373,532).
- Excluding income for making grants, our consulting and think tank income was £2,212,130, which is an increase of 12% (2020: £1,973,046).

### Donations and fundraising: £945,737

- An increase of 28% (2020: £609,316).

- This growth is mainly thanks to the front-loading of a new multi-year grant from the Oak Foundation (£600,000 over 4 years, with £450,000 received this year).
- We aim to increase and diversify our fundraising income over time. Our unrestricted grants increased this year to £682,500 (2020: £180,000), with £175,000 from new donors.

### Events and training: £21,585

- A decrease of 56% (2019: £49,367).
- This drop is mainly due to the pandemic forcing all training and events online, for which the market ticket price is much lower.

### Other income

- We received non-recurring income through the Job Retention Scheme.

# Financial activities

## Expenditure

Our total expenditure for the year was £2,895,193, a decrease of 10% (2020: £3,225,273).

As noted above, year on year comparisons are affected by the amount of grants made to other organisations. Total expenditure, excluding grants, was £2,763,348, a decrease of 3% (2020: £2,851,743).

### **Staff: £2,007,860**

- An increase of 1% (2020: £1,990,029) mainly due to small, targeted pay awards for promotions.
- On average during the year we employed 44 staff. Many of our team work part-time, giving us a full time equivalent staff of 39, which is the same as last year.

### **Partners and associates: £326,694**

- An increase of 4% (2020: £315,408).
- This money represents payments to other individuals and organisations who we collaborate with to deliver our consulting and think tank work.

### **Training and events: £12,574**

- A decrease of 81% (2020: £66,781). The pandemic forced all training and events online, including NPC Ignites, our flagship annual conference.

### **Premises and other office costs: £209,851**

- A decrease of 10% (2020: £233,124) due to the full or partial closure of the office in accordance with government health guidelines during the pandemic.

# Funding

Our main sources of funding this year were consulting fees, restricted grants for think tank projects, unrestricted grants from foundations, fees for events and training, and donations from our trustees and supporters, including members of our Supporters' Circle.

## Our approach to fundraising

Our relationship with our supporters is very important to us. We strive for our fundraising to be respectful, open, honest and accountable. We enjoy a close relationship with our Supporters' Circle and other individuals, foundations and organisations who support our work to transform the sector.

All fundraising is conducted by contracted team members. We do not employ any fundraising agencies or third parties to fundraise directly, and we do not run telephone or door to door fundraising campaigns.

We have complied with data protection regulations and, as part of our on-going commitment to best practice, we strive to adhere to the standards set by the

Fundraising Regulator and the Institute of Fundraising.

More information about how we gather and use information as part of our fundraising is available on our website, together with a clearly documented complaints process. There have been no instances of non-compliance with the fundraising code of practice and no complaints have been received regarding our fundraising.

## Investment policy

In accordance with the memorandum of association, our trustees have the power to invest any funds that are not immediately required in any investments, securities or property, and to delegate the management of investments to a financial expert.

During the year, cash balances were insufficient to be invested, and, when appropriate, funds were held in deposit accounts to combine optimum interest rates with the required accessibility of funds.

# Funding, continued

## Reserves policy and unrestricted funds

At 30 June 2021 we had total reserves of £1,011,519 (2020: £531,751). Of this, £329,933 are legally restricted and £681,586 are unrestricted. £10,905 of our unrestricted reserves are tied up in fixed assets.

Our trustees believe that committed income should be considered alongside unrestricted reserves when considering the adequacy of reserves. The trustees aim for the total unrestricted reserves and committed income to be able to cover between three and six months of planned expenditure in the year ahead.

As of 30 June 2021, we had unrestricted reserves of £681,586 (2020: £272,347) and £1,202,799 (2020: £1,016,000) of committed fees and unrestricted grant income.

We expect our average monthly expenditure in the year to 30 June 2022 to be £255,583. The total of £1,884,385 of unrestricted reserves and committed

donations and fees will therefore cover approximately 7.4 months of budgeted expenditure. This is slightly higher than our reserves policy but considered reasonable due to:

- Continued uncertainty about the demand for consulting and think tank services and the propensity to give as the sector starts to emerge from the Covid-19 crisis period.
- An expected deficit in the financial year ending 30 June 2022.

Our trustees are confident that we have sufficient reserves and committed income to fund our planned activities.

## Trading subsidiary

The charity has a wholly-owned trading subsidiary, NPC Trading Limited. The company did not trade during the years ended 30 June 2021 or 30 June 2020.

# Our approach to pay

As the leading think tank and consultancy for the charity sector, we aim to attract staff from the not-for-profit sector as well as the public and private sectors—and to pay our people accordingly. Our remuneration process is as follows:

- Our board is responsible for setting our CEO’s salary.
- Our CEO sets the salaries of our senior management team.
- Our senior management team, in conjunction with our HR consultant, set all other salaries.
- Pay is reviewed regularly and at least annually.

In setting salaries, the board, CEO and management team take into account the following principles:

- **Recruitment and retention:** To achieve our mission and financial sustainability, we require high calibre staff with a range of skills and disciplines. Remuneration packages take account of the market rates for comparable jobs in relevant markets.

- **Affordability:** The impact on our financial health and overall business plan is always taken into account.
- **Performance:** Performance targets and objectives are assessed through our annual appraisal process and taken into account in remuneration where relevant.
- **Proportionality:** The ratio of lowest to highest salary is monitored. As far as it makes business sense, we strive for parity across the organisation so that employees at comparable levels in different teams receive similar pay.
- **Transparency:** We follow SORP guidelines and list in our annual report the number of staff earning £60,000 and above (in bands of £10,000)—see note 8. This information and our approach to pay is also publicly available on our website.
- **Living Wage:** We are an accredited Living Wage employer and we pay our interns.

Staff at all levels have access to the same benefits, including pensions.

# How the pandemic has affected our finances

We are very proud of how our staff responded to the challenge of Covid-19. Throughout the pandemic our team have produced practical support and guidance to help the sector do its job in helping those in need, worked with clients and donors to revise planned activities, and adapted quickly to remote working, often whilst juggling difficult personal circumstances.

Thanks to this hard work and commitment, the impact of Covid-19 on our finances has not been as severe as we feared at the start of the pandemic. We are particularly grateful to those funders and individuals who demonstrated their trust and confidence in the impact of our work by supporting us with unrestricted grants and donations.

We have taken a cautiously optimistic approach to setting our budget for the year ahead and our medium-term financial projections. Nonetheless, we continue to operate in an uncertain environment.

We plan to focus our income-generation activities in areas where we can deliver the most impact, whilst flexing our cost base wherever possible. We believe that this approach places us in a good position to continue making a

positive contribution to the sector whilst mitigating the possible financial consequences of various risks during the recovery period, including:

- Capacity for funders and individuals to direct available funding to think tank and innovation work.
- Demand for consulting services.
- Fewer multi-year projects available to pitch for.
- Difficulties in recruiting skilled people.

*“By providing so much of your thinking and opinion for free, you are helping to equip the sector with new learning and ideas that can help make the sector's responses to social issues more thoughtful and hopefully more effective.”*

**Survey respondent**

# Structure, governance, and management



NPC is a charitable company limited by guarantee. Our trustees have agreed to each contribute up to £1 towards our assets in the event of being wound up. NPC was incorporated on 2 July 2001 and registered as a charity on 27 March 2002.

## Trustees

Our trustees are the directors of the company. Our trustees seek to adhere to the principles set out in the Charity Governance Code, and are responsible for establishing clear strategic goals. These goals, together with performance targets, are established annually, and our chief executive reports on them at trustee meetings. Trustees take responsibility for one or more areas of activity, according to their skills, experience and interests, which may include being appointed to a committee.

## Trustee recruitment, induction and training

We benefit from an experienced and committed board contributing a range of perspectives and expertise, which we want to build on by increasing the diversity of our trustees. Our trustees believe that bringing in people with different perspectives, different outlooks and different experiences will result in new ideas, robust debate,

better decisions and ultimately better impact.

Our Board regularly completes a skills assessment to decide whether to recruit new trustees to complement the existing skills and experience. The most recent assessment was completed in December 2020. Following this, the Board specifically recruited two new trustees with lived experience of equality and inclusion, philanthropy, fundraising and entrepreneurship in June 2021. Applications are screened, and short-listed applicants invited to meet with representatives from the board and management team.

On appointment each trustee completes a register of interests, which is renewed annually. New trustees receive a job description, NPC's Code of Conduct and participate in an induction programme, which includes meeting the chair, chief executive, members of the management team and staff. When new trustees are recruited, their training and support needs are assessed and met as necessary. Additionally, our Board routinely assesses its own performance to identify any training and support needs, this was last completed in March 2021.

Our Board is supported in its think tank and fundraising activities by a Policy Advisory Board and a Development Board of co-opted members who add valuable specialist expertise and insight.

# Structure, governance, and management, continued

## Management and staff

While our trustees are responsible for establishing NPC's strategic goals, day-to-day activities are led by our chief executive, Dan Corry.

Our chief executive is responsible for developing strategies, products and services within overall guidelines and policies set by the trustees. He represents NPC externally and ensures that NPC's values are communicated and observed. He is also responsible for the recruitment, training and development of management and staff.

Our chief executive is supported by a senior management team, which includes our chief operating officer, director of research and consulting, director of innovation and development, head of communications, head of policy, and an HR consultant.

During the year ended 30 June 2021, we employed an average of 44 employees. Many of our team work part-time, so this equates to 39 full-time equivalent employees. More detail is provided in note 8 to the financial statements.

We conducted a short-form staff engagement survey in October-November 2020 that was completed by 95% of staff. 84% of respondents said that, taking everything into consideration, they would describe NPC as a good or very good place to work and over 90% said we adapted well or very well to working during the lockdown, whilst recognising personal challenges to individual working environments throughout the pandemic.

*“Very helpful advice on evaluation during pandemic helped us remain robust but reasonable. Meeting with your team shaped our thinking on an external evaluation.”*

**Survey respondent**

# Structure, governance, and management, continued

## Conduct at work

At NPC we endorse NCVO's Ethical Principles for charities – beneficiaries first, integrity, openness and right to be safe. These principles support charities and their stakeholders to recognise and resolve ethical issues and conflicts and make charities a safer place.

In endorsing these principles we seek to ensure that our working practices:

- respect every individual's dignity and rights to privacy and confidentiality;
- commit to challenging any instances of sexism, gender inequality and other power imbalances that leave some people at risk of harm; and
- value and improve diversity.

We have a clear policy and [code of conduct](#) that sets out our expectations of all staff and we encourage all staff to speak up when they think that something is wrong. Any concerns can be raised with the individual's line manager, with a member of the senior management team, the HR & Facilities Manager or our independent HR Consultant. When an employee wishes to make a disclosure that concerns cannot be dealt with internally, it can be raised with Public Concern at Work, an independent whistleblowing charity.

We take a zero-tolerance approach to harassment and bullying and will take disciplinary action against employees if appropriate. If the perpetrator is not an employee, we will take whatever steps are reasonably practicable to protect the individual staff member.

# Our approach to safeguarding

We are committed to helping the third sector achieve greater impact for beneficiaries. Much of this work involves working directly with organisations to help them use their resources more effectively. This can include interacting with vulnerable people. We believe that:

- The welfare of NPC’s direct and indirect beneficiaries is paramount.
- Everybody should be kept safe from harm regardless of age, disability, gender, racial heritage, religious belief, economic status, sexual orientation or identity.
- Some people will require heightened protection due to their age, level of dependency, the impact of previous experiences, or other issues.

We have a clear safeguarding policy and code of conduct that sets out our expectations of all staff

- **Risk assessment and code of conduct:** Safeguarding risks are assessed at the start of each project. When appropriate, team members are given a safeguarding briefing and asked to sign a safeguarding code of conduct. DBS checks are obtained for all staff involved in high risk projects.

- **Communications:** All communications with or regarding an at risk person, including online such as via social media, are conducted in a safe manner by:
  - Taking care to ensure the privacy of the beneficiary.
  - Never taking photos of an at risk person while they are in changing or bathing areas, and never publishing other photos without their consent.
  - Managing and preventing risks associated with social media use such as cyberbullying, grooming, identity theft, and exposure to inappropriate content.
- **Monitoring:** Safeguarding risk is reviewed and monitored throughout each project.
- **Reporting and responding to concerns:** Safeguarding concerns are reported to our safeguarding lead (the chief operating officer) when abuse is observed or suspected, an allegation of abuse is made, or a child or at risk adult discloses abuse. The safeguarding lead will take appropriate action.

# Our approach to the environment

We all need to take responsibility for our contribution to climate change, biodiversity loss, pollution and unsustainable use of resources. We acknowledge that our activities have an effect on the environment, and we are committed to improving our environmental impacts through our operations and by encouraging our staff to adopt sustainable practices and behaviours whilst at work.

We adhere to the following principles to reduce our environmental impact:

- Avoiding unnecessary energy consumption.
- Reducing the amount of waste produced.
- Avoiding harmful chemical used in cleaning products (within the parameters permitted by Covid-19 health & safety guidelines).
- Avoiding unnecessary travel and, when required, travelling by the lowest carbon means possible.
- Working with suppliers who provide products and services with low or positive environmental impacts where possible, while balancing expense and productivity.
- Promoting our environmental policies and practices throughout the organisation.

- Offsetting our carbon emissions through Climate Care, an organisation that supports activities that help reduce CO2 emissions.

We recognise that this is an evolving area with new products and practices becoming available, so we continue to identify potential opportunities for further improvement. Further detail is available in our environment policy.

## Helping the sector

As well as looking at our own policies, we're also using our consulting and think tank work to help funders and charities work see the intersections between environmental and social issues. The transition to net zero has social consequences that must not be ignored.

We're helping environmental and social charities and funders to find common ground, by bringing people together to reflect on the opportunities of the net zero transition, lay the foundations for future policy collaboration, and develop leadership to manage climate risks.

# Our approach to diversity, equity and inclusion

At NPC, our goal is to transform the social sector through our research, guidance and debates to increase the positive impact for the people and communities who need it. We're up for challenging ourselves and the sector, doing what we do best: bringing our research, insights and expertise to the key issues the sector faces, highlighting best practice, being agile and thoughtful, and bringing people together to find solutions. What would it mean to apply a diversity, equity and inclusion lens such as racial justice to this mission?

There is no easy answer, and we certainly won't pretend to be able to offer one. But we have made a long-term commitment to a continuous process, centred around four themes that encompass all aspects of our work:

**1. Embedding diversity, equity and inclusion into our consulting work:** We want to broaden the conversation beyond HR. What would it mean to incorporate diversity, equity and inclusion into a theory of change, grant making advice, effective philanthropy, charity analysis, or impact evaluation? We want to work with charities, philanthropists and funders to consider the diversity, equity and inclusion lens of what they are trying to achieve and to reflect this in our project planning, execution, and recommendations.

- 2. Using our influence in the charity sector:** Since our founding we have earned the respect of funders and philanthropists who value our advice, commitment to evidence, and willingness to challenge. We hope to make the most of these networks to amplify this debate, by challenging where power lies, offering practical insights, and facilitating conversations among those with power and resources.
- 3. Embracing a listening and learning culture:** We're going to continue educating ourselves, including our leadership team and trustees, and listening to colleagues from under-represented communities and their allies across NPC and the wider sector who are willing to share their lived experience to inform how we work.
- 4. Transparency:** We publish our employee diversity statistics each year, including pay gaps, and we're making our working practices more visible so staff, clients, donors, and others can hold us accountable.

We report again each of these themes at our trustee meetings and adjust our plans as we learn and grow. We want to do what we can ourselves and support others who are better placed than we are to be leaders of anti-racism efforts in the charity sector. Success for us will be when applying a diversity, equity and inclusion lens is just what we do, in every aspect of our work, every day.

# Our approach to diversity, equity and inclusion, continued

## Embedding diversity, equity and inclusion into our consulting work

Our consulting team typically has around 70 live projects at any given time. Each project is different, and every client unique. In the last year we have started to incorporate diversity, equity and inclusion into conversations with clients, both new and existing. For some clients and projects, it's easy to see how DEI principles can be included in the work. For others, the conversation is more nuanced and involves more trial and error.

In our conversations with start-up philanthropists, we have found that they are interested in learning how DEI principles can help them achieve their aims. An example of an easy change to make is how we altered our training sessions for new philanthropists to incorporate the importance of responding to inequalities, particularly around race.

In our conversations within charities and funders, we have found that some struggle to know who exactly they are helping—in part because they need to develop more sensitive, appropriate, and reflective ways of collecting

demographic data. An example of a longer-term approach is therefore thinking about [inclusive data](#) which has been a big part of our deliberations on how to incorporate DEI principles into our measurement work.

Thinking back over some of our past projects, we now think we would have done some of them differently. Whilst we have long considered issues around DEI in our work, we have often not centred it in our analysis. To support our staff in moving this conversation forward, in the last year we have:

- Worked with an independent consultant to help staff feel more comfortable about having DEI conversations with clients.
- Created an internal knowledge hub that summarises the resources produced on DEI across the sector.
- Started to update our project planning processes to help think about how DEI principles can be incorporated into work.
- Established DEI as a separate strand in our consulting team business plan for the year ahead.

# Our approach to diversity, equity and inclusion, continued

## Using our influence in the charity sector

Diversity, equity, and inclusion remains central to our events programme, but we won't always get it right. We endeavour to produce a programme with a diversity of participants, and diversity of speakers, and a diversity of content.

**Diversity of participants:** This year we have extended our event bursary scheme from just small charities to also include ethnic minority charities of all sizes and ethnic minority representatives from charities of all sizes. This year we gave out 79 bursary places.

All our online events now use a live subtitles feature, and our sign-up forms offer help to those with accessibility requirements. We have altered the time and duration of events to suit different audience groups and we share recordings of many of our events on [YouTube](#) for anyone whose schedules and commitments would prevent them from attending.

**Diversity of speakers:** We strive not to have any male or white only panels (on panels greater than 3), although we're not always able to meet this. In the calendar year ended 31 December 2020 66% of speakers were female and

24% were from an ethnic minority background\* (2019: 67% female and 15% from an ethnic minority background). We have adopted a new [speaker fee policy](#) which offers payment for speaking at our events to speakers where this would otherwise be a barrier to participation.

**Diversity of content:** While we have held DEI focussed events in the past, we believe it is more useful to embed DEI across all our event topics, highlighting how this issue intersects with so many other ideas and challenges in our sector. For example, our 'Rebalancing data for the 21st century' event last year focussed on shifting traditional evaluation and measurement practices towards a more equitable approach.

DEI is also central to our **thought leadership activities**. Looking ahead, we aim to update our thought leadership resources, with emphasis on evaluation and measurement. We are now working with partners on a joint project and have confirmed a '1 year on' session for Ignites 2021, building on last year's 'Rebalancing data for the 21st century' event. We're also working to extend the network we use to consult on and disseminate our policy think tank findings.

# Our approach to diversity, equity and inclusion, continued

## Embracing a listening and learning culture

This year our trustees and senior management team benefited from a session facilitated by an independent consultant on the **role of leaders** in progressing DEI. Our trustees review progress against our DEI plan at each meeting, and our chief executive has signed-up to ACEVO's [eight principles to address the diversity deficit in charity leadership](#). We have also joined the [Baobab Foundation](#) as an associate member (the Foundation is led by the Black and ethnic minority community organisations it supports). All members of the senior management team have personal DEI objectives that include self-directed learning, facilitating conversations, and enabling action within their teams.

Led by our internal DEI Group, we continue to allow **time and space for staff to explore issues** associated with DEI. Examples of specific activities include attending external events, self-directed learning and peer-led sessions on topics such as NPC's approach to addressing bullying and harassment in the workplace and creating a [staff well-being hub and offering additional support throughout the pandemic](#). Through June and July 2021, we engaged an external consultant to facilitate a series of small group sessions with staff about **having difficult conversations** – internally and externally. We will consolidate the feedback from these discussions, alongside the

trustee session and staff survey to refresh our DEI improvement plan.

In previous years, our DEI work focused on our [recruitment processes](#). This included refreshing our employer brand, exploring new recruitment channels, improving accessibility and reducing unconscious bias in our application and selection processes, as well as providing a warm and engaging onboarding and induction experience. This remains an important area for continual learning and improvement.

NPC is a London Living Wage employer and we've signed the [Show the Salary](#) pledge. We remain engaged in sector programmes that provide work experience opportunities for underrepresented groups, including [Change 100](#), a programme that coordinates work placements, professional development and mentoring for university students and recent graduates with any disability or long-term condition; and [2027](#), a programme that works with frontline professionals from working-class communities, and prepares them for decision-making roles in grant-making and impact investing organisations. Looking ahead, the DWP have approved our participation in the new [Kickstart Scheme](#) to create job opportunities for young people on universal credit, and we are exploring an opportunity to work with [Charityworks](#), a graduate recruitment programme that promotes positive action.

# Our approach to diversity, equity and inclusion, continued

## Transparency

This year we've taken time to reflect on the **transparency of our internal working practices**. We have refreshed [our values](#) and have an internal working group focused on ensuring we live these values. We have also introduced a new code of conduct for our trustees, staff, associates and other stakeholders; updated our [diversity, equity and inclusion policy](#); updated our competency framework; benchmarked pay for all roles; and promoted our [approach to pay](#) on the NPC website so that we meet best practice of two clicks from the home page.

As at 31 March 2021, our mean gender pay gap was £2.38 (2020: £1.59) and our median gender pay gap was £-1.03 (2019: £nil). A negative means women are paid more than men. Our mean ethnic pay gap was £3.74 (2020: £6.04) and the median ethnic pay gap was £2.12 (2020: £5.07). The larger ethnic pay gap (compared to gender) continues to reflect the absence of non-white staff in the top two quartiles.

In July 2021, we invited all staff to participate in an anonymous DEI survey. Overall, the results of the survey were positive and we did not identify any pervasive issues around DEI at NPC. But unquestionably there are areas where

we can improve as any negative response is important, even if it isn't representative of the wider staff team. The results of this survey provide invaluable data in helping us understand where we are and help us identify how we can improve. This, combined with actions identified during recent staff discussion sessions, will inform the next iteration of our DEI improvement plan, helping us continue to learn and improve as an organisation. As in previous years, we're publishing out diversity data in this report. We've decided to keep the answers to the equity and inclusion questions private so that staff feel comfortable being open. This decision was made by our DEI Group, which consists of staff from all levels and teams at NPC.

## A note on language

We recognise that any one term will not resonate with everyone. In this document, we follow the [Race Disparity Audit's](#) recommendation, referring to 'ethnic minorities'. BME and BAME are terms are widely used in the media and other groups when referring to ethnic minority groups in the UK. People of Colour (PoC) is a term prevalent in the USA and gaining popularity in the UK.

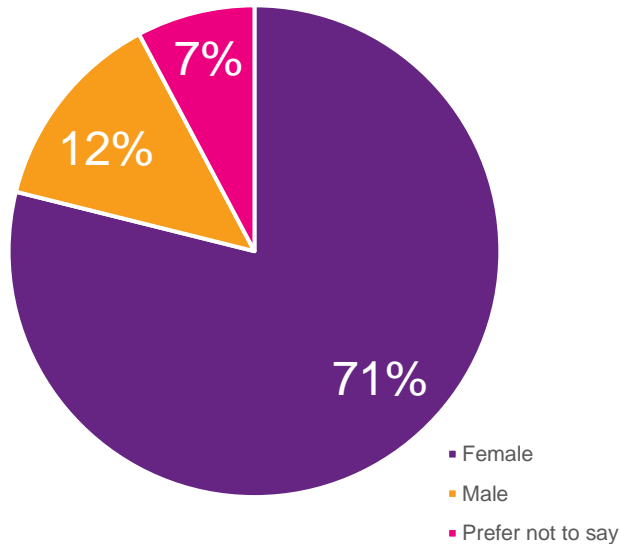
# Our approach to diversity, equity and inclusion, continued

## Equal opportunities data from our DEI survey

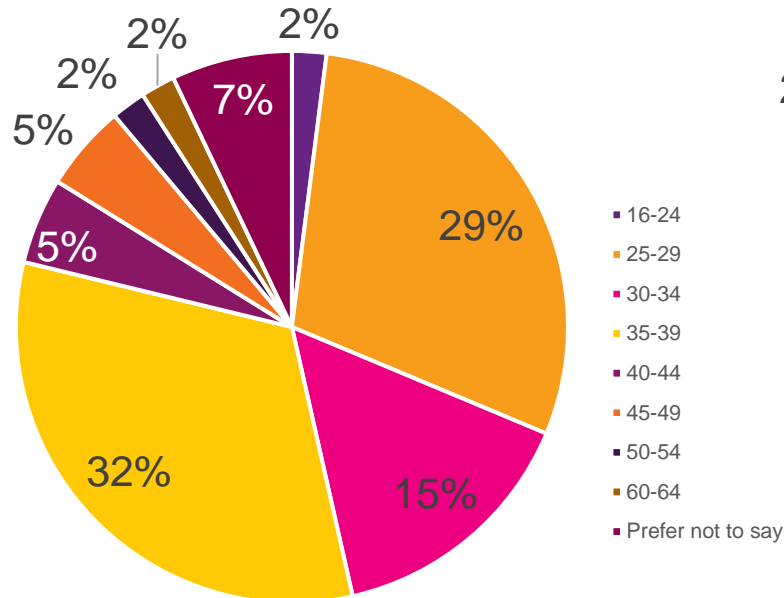
For simplicity, we have only presented here the options for which at least one person selected. Answers which nobody selected, such as non-binary, have been omitted.

Source: staff DEI survey, July 2021, 89% response rate / Sector benchmark: [UK Civil Society Almanac 2021 | Home | NCVO](#)

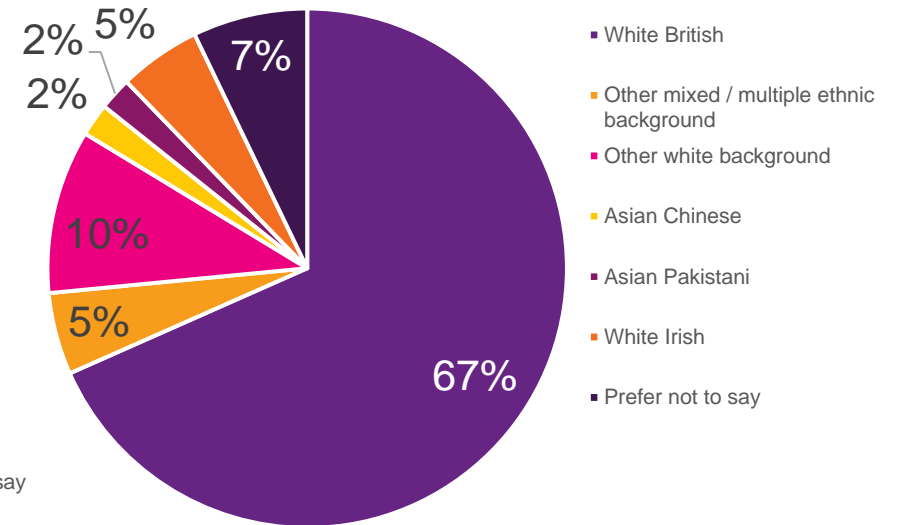
What is your gender identity?  
Sector benchmark: 67% female



What is your age?  
Sector benchmark: 35% 50+ and 27% 16-34



What is your ethnicity?  
Sector benchmark: 9% Ethnic minority



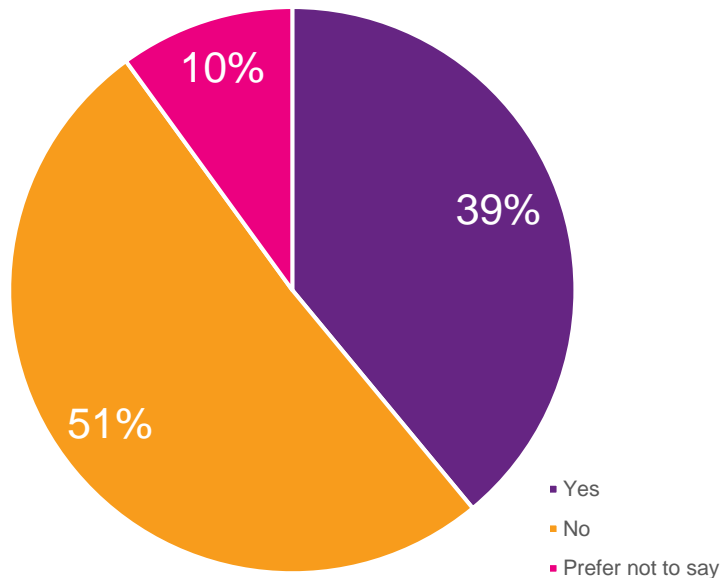
# Our approach to diversity, equity and inclusion, continued

## Equal opportunities data from our DEI survey, continued

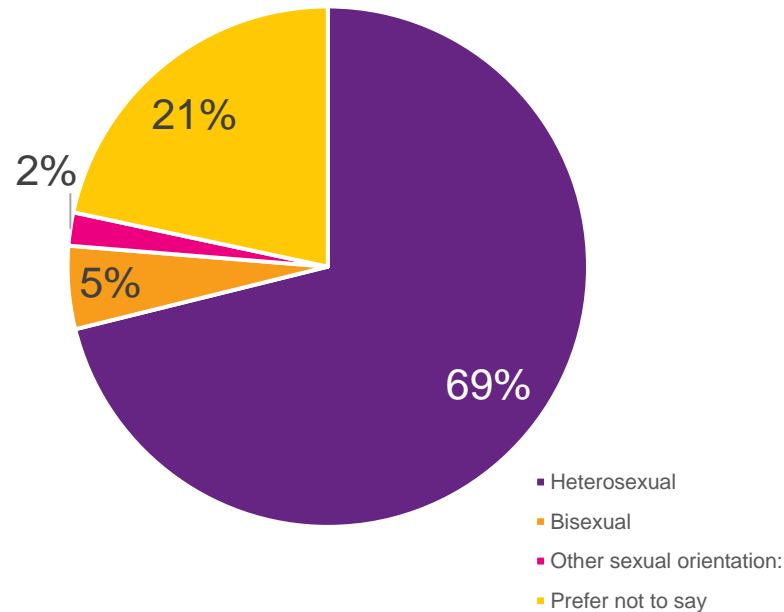
For simplicity, we have only presented here the options which at least one person selected. Answers which nobody selected, such as non-binary, have been omitted.

Source: staff DEI survey, July 2021, 89% response rate / Sector benchmark: [UK Civil Society Almanac 2021 | Home | NCVO](#)

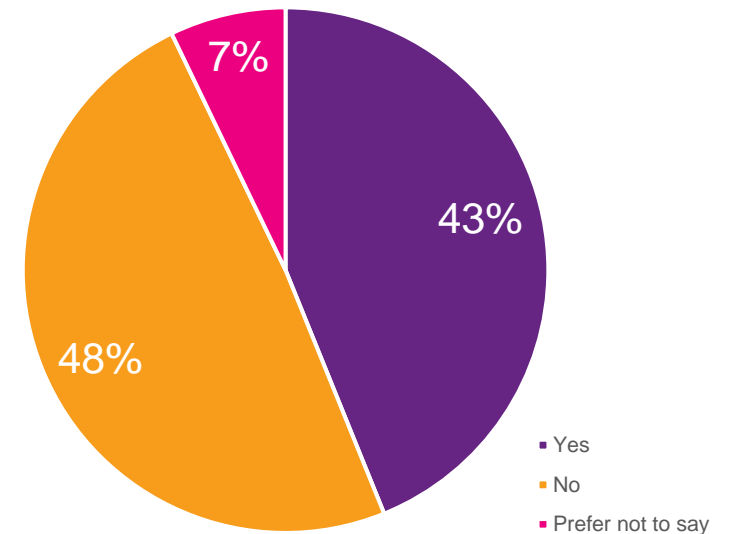
Are you married or in a civil partnership?



What is your sexual orientation?  
General benchmark: 94% heterosexual (ONS 2017)



Do you consider yourself to have a disability, health condition, mental health condition, and/or learning difficulty?  
Sector benchmark: 23% declared disability



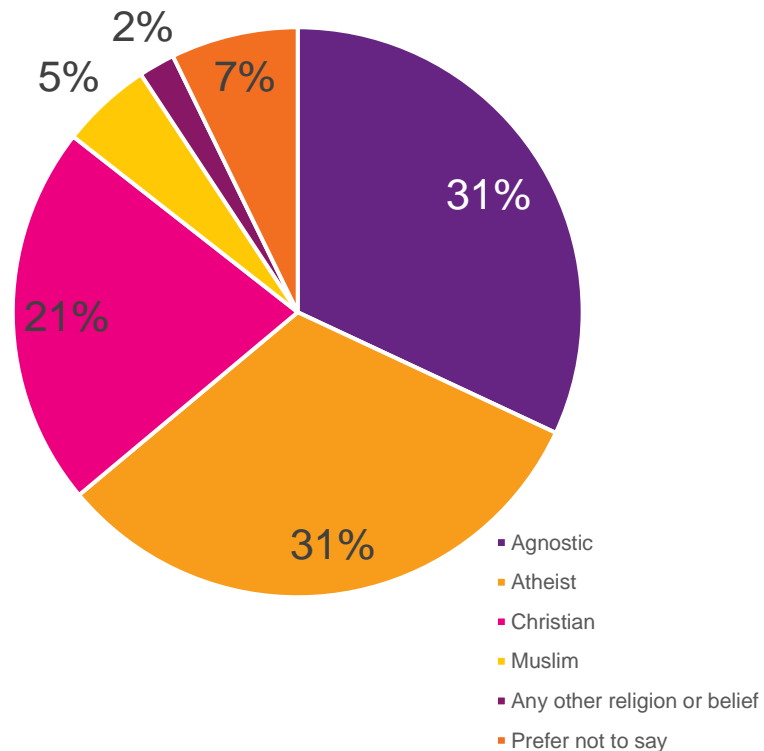
# Our approach to diversity, equity and inclusion, continued

## Equal opportunities data from our DEI survey, continued

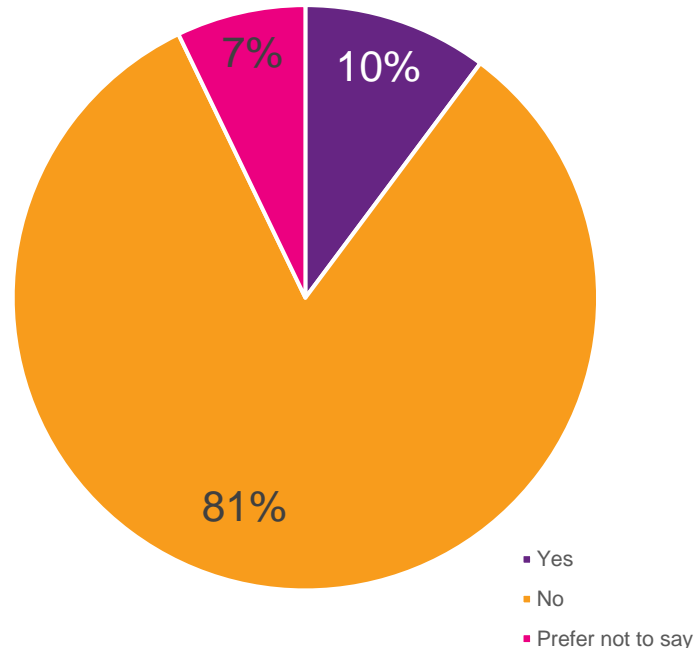
For simplicity, we have only presented here the options which at least one person selected. Answers which nobody selected, such as non-binary, have been omitted.

Source: staff DEI survey, July 2021, 89% response rate / Sector benchmark: [UK Civil Society Almanac 2021 | Home | NCVO](#)

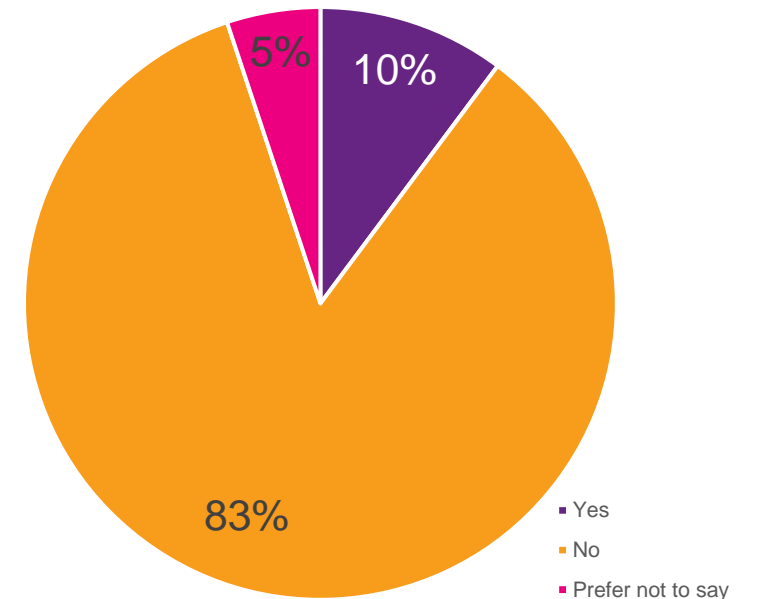
What is your religion or belief?



Do you consider yourself to be a first generation or recent migrant to the UK?



Do you consider yourself to be economically or educationally disadvantaged?



# Managing risk

We have a risk management process to enable our trustees and management to assess the risks facing the organisation and to devise and implement strategies and controls to mitigate or address these risks.

We maintain a comprehensive risk register. Our risk register is reviewed regularly by our chair and senior management team and annually by the trustees.

The areas considered by our board to be high risk, and our strategy for meeting them, are outlined below:

## **Unrestricted funding targets not being met**

- We have a clear fundraising proposition centred around our desire to innovate, influence and improve.
- We have regular conversations with existing and prospective donors.
- We use our networks to raise NPC's profile amongst potential funders.
- We recruit colleagues with fundraising experience and partner with others.

## **Disengagement and/or inefficient working practices as NPC transitions from pandemic working practices to a “new normal”**

- We continue to speak with staff to understand working preferences, balanced with

organisational need.

- Our trial of hybrid working (1 September to 31 December) includes regular feedback loops to ensure we listen, learn, and adapt as we go.
- We've increased our support for staff well-being and mental health.

## **Insufficient market demand for consulting services as the sector emerges from the Covid-19 crisis period**

- We've re-positioned new and refresh existing content to related to the future of the sector to ensure NPC remains relevant.
- We're pursuing a diverse business development plan that includes a range of services and client groups.
- We actively develop our relationships with clients, both existing and prospective.
- We monitor monthly and quarterly targets for sales, pipeline and delivery plus client feedback on impact and value for money.
- We scale our consulting resources to match demand, including working with associates and partners as needed.

# Managing risk, continued

## **Reputational damage if NPC's working practices fail to meet standards of behaviour expected in the workplace**

- Our Code of Conduct sets out the standards we expect from our trustees, staff, associates and other stakeholders.
- We've published our policies on diversity, equity and inclusion, safeguarding, harassment and bullying, whistleblowing and complaints. This is supplemented by an internal Staff Handbook.
- Our diversity, equity and inclusion improvement plan has been agreed with trustees and progress is monitored at each board meeting.
- Our internal well-being hub signposts resources to support staff, including access to independent HR support and advice.

## **Loss of relevance and impact if we were unable to respond to emerging trends, such as the future of the sector and the government's levelling up agenda.**

- Through our Rethink Rebuild initiative we're sharing ideas, innovations, programmes, models and learnings that will be vital for rethinking how charity and philanthropy works, and rebuilding together as we emerge from our shared Covid crisis.
- We're using our government and cross-sector networks to be a voice for the sector.
- We work with associate and partnership networks as required.
- We're identifying and acting upon opportunities to embed emerging thinking on the future of sector into mainstream work
- We're continually developing the skillset of our staff.

# Statement of responsibility of the trustees

The trustees (who are also directors of NPC for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and UK accounting standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable

them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The report of trustees has been prepared in accordance with the special provisions applicable to companies' subject to the small companies regime.

Approved by the trustees on 7 December 2021 and signed on their behalf by:

**Vaughan Lindsay, Chair**

# Independent auditor's report to the members of NPC



## Opinion

We have audited the financial statements of New Philanthropy Capital for the year ended 30 June 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs

(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

# Independent auditor's report to the members of NPC



## Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, the introduction from the Chair and introduction from the Chief Executive. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial

statements are prepared is consistent with the financial statements; and

- the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

# Independent auditor's report to the members of NPC

## **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 53, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect

a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and industry, we identified that the principal risks of non-compliance with laws and regulations related to GDPR, company law and charity law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and revenue recognition specifically relating to cut from work in progress at year end. Audit procedures performed by the engagement team included:

# Independent auditor's report to the members of NPC



- Discussions with management including consideration of known or suspected instances of noncompliance with laws and regulation and fraud;
- Inspecting correspondence with regulators.
- Evaluating management's controls designed to prevent and detect irregularities;
- Evaluating controls relevant to the preparation of the financial statements;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their critical accounting estimates including work in progress and dilapidations provision.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Steven Harper (Senior Statutory Auditor)**

For and on behalf of Haysmacintyre LLP, Statutory Auditors

7 December 2021

10 Queen Street Place, London, EC4R 1AG

# Financial statements: Statement of financial activities

(Incorporating an Income and Expenditure Account) - For the year ended 30 June 2021

	Notes	Unrestricted Funds (£)	Restricted Funds (£)	2021 total (£)	2020 total (£)
<b>Income from</b>					
Donations and legacies	2	945,737	-	<b>945,737</b>	609,316
Charitable activities					
Consulting	3	1,718,663	191,671	<b>1,910,334</b>	1,897,667
Think tank	3	-	433,640	<b>433,640</b>	448,911
Communication & events		21,585	-	<b>21,585</b>	49,367
Other trading activities		-	-	-	7,838
Other income		63,588	-	<b>63,588</b>	52,881
Investments		77	-	<b>77</b>	685
<b>Total income / (expenditure)</b>		<b>2,749,650</b>	<b>625,311</b>	<b>3,374,961</b>	<b>3,066,665</b>
<b>Expenditure on</b>					
Raising funds		255,943	-	<b>255,943</b>	208,399
Charitable activities					
Consulting		1,338,453	178,833	<b>1,517,286</b>	1,602,346
Think tank		401,826	394,749	<b>796,575</b>	1,025,411
Communication & events		325,389	-	<b>325,389</b>	389,117
<b>Total expenditure</b>	4	<b>2,321,611</b>	<b>573,582</b>	<b>2,895,193</b>	<b>3,225,273</b>
<b>Net income/ (expenditure) for the year before transfers</b>		-	-	-	(158,608)
<b>Transfers</b>		(18,800)	18,800	-	-
<b>Net (expenditure) for the year</b>		<b>409,239</b>	<b>70,529</b>	<b>479,768</b>	<b>(158,608)</b>
Balance brought forward at 1 July		272,347	259,404	<b>531,751</b>	690,359
Balance carried forward at 30 June		681,586	329,933	<b>1,011,519</b>	531,751

All of the above results are derived from continuing activities; all gains and losses recognised in the year are included above. Movements in funds are disclosed in note 18 to the financial statements. Detailed comparatives for the Statement of Financial Activities are disclosed in note 21 to the financial statements.

# Financial statements: Balance sheet

As at 30 June 2021

	Notes	2021 (£)	2020 (£)
<b>Tangible fixed assets</b>			
Investments	11	1	1
Fixed Assets	13	10,905	14,624
<b>Current assets</b>			
Debtors and prepayments	14	634,567	669,583
Cash at bank and in hand		1,032,083	600,512
		<b>1,666,650</b>	1,270,095
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15	(626,037)	(700,968)
		<b>1,040,613</b>	569,127
<b>Net current assets</b>			
Provision	16	(40,000)	(52,001)
		<b>1,011,519</b>	531,751
<b>Funds</b>			
Unrestricted funds		681,586	272,347
Restricted funds		329,933	259,404
		<b>1,011,519</b>	531,751
<b>Total funds</b>			

The financial statements were approved by the trustees on 7 December 2021 and signed on their behalf by:

**Vaughan Lindsay**

**Chair**

**Company No: 4244715**

# Financial statements: Cashflow statement

For the year ended 30 June 2021

	2021 (£)	2020 (£)
<b>Net income/(expenditure)</b>	<b>479,768</b>	(158,608)
Adjustments for:		
Depreciation	10,643	16,754
Interest income	77	(685)
(Increase)/Decrease in debtors	35,016	(175,838)
Increase/(Decrease) in creditors	(86,932)	189,241
<b>Net cash provided by operating activities</b>	<b>438,572</b>	(129,137)
<b>Cash flow from investing activities</b>		
Investment income—bank interest	(77)	685
Purchase of tangible fixed assets	(6,924)	(6,900)
<b>Net cash used in investing activities</b>	<b>(7,001)</b>	(6,215)
<b>Change in cash and cash equivalents in the year</b>	<b>431,571</b>	(135,352)
<b>Cash and cash equivalents at the beginning of the year</b>	<b>600,512</b>	735,864
<b>Cash and cash equivalents at the end of the year</b>	<b>1,032,083</b>	600,512

*“NPC's publications are relevant, clear, well-designed, and accessible to a wide audience.”*

**Survey respondent**

# Notes forming part of the financial statements

For the year ended 30 June 2021



## 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the financial statements.

### a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition) (effective 1 January 2019)—(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The trustees have made this assessment for a period of at least one year from

the date of approval of the financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on donation and income from investments. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### b. Public Benefit Entity

In reviewing NPC's aims and planning future activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. Our vision and mission show that NPC is committed to helping charities and funders to achieve a greater impact. Our beneficiaries are therefore anyone helped by charities and funders—that is, the public at large.

All our activities contribute to our strategic aims and are for the benefit of the public. This report has set out NPC's activities and achievements and illustrates how they benefit charities and funders. By helping charities and funders to achieve a greater impact, we ultimately help the people that these charities and funders serve. The charitable company meets the definition of a public benefit entity under FRS 102.

# Notes forming part of the financial statements, continued



For the year ended 30 June 2021

## c. Income

All income is included in the statement of financial activities (SOFA) when it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Donations are recognised when received. Legacies and gifts are taken into account on a receivable basis, but only when capable of exact financial measurement.

Consulting fees are charged for research projects, provision of training and provision of information. These fees are recognised when receivable. Fees are receivable when the consultancy service has been provided by NPC. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred.

Grants are received to carry out research activities. These grants are recognised as income when they become receivable. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred.

## d. Grant-making

Grants payable are classified as charitable expenditure.

Grants payable are charged in the year that they are agreed by the trustees and with the

recipient organisation. The value of any such grants unpaid at the year end is accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments.

## e. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function and costs incurred in connection with the compliance with constitutional and statutory requirements, is apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity:

Expenditure on raising funds 9%

Think tank 28%

Consulting 52%

Communications 10%

Governance 1%

Irrecoverable VAT is apportioned on the same basis as central costs.

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

f. Expenditure on raising funds

Expenditure on funds relate to the costs incurred by the charitable company in developing relationships with third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

g. Tangible fixed assets and depreciation

Tangible fixed assets costing more than £5,000 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Computer equipment: over 3 years

Furniture and fixtures: over 5 years

Office equipment: over 5 years

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their

carrying value may exceed their net realisable value and value in use.

h. Fund accounting

Funds held by the charity are either:

*Restricted funds*—these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

*Unrestricted funds*—these are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

i. Pension

The charity operates a defined contribution pension scheme through Aegon Scottish Equitable for all employees completing six months' service. Membership of the scheme is not compulsory. Pension costs charged to the SOFA represent the contributions payable by the charity in the year.

j. Leases

Operating lease rentals are charged to the SOFA on a straight-line basis over the period of the lease.

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

k. Taxation

The charity is exempt from taxation on its charitable activities.

l. Investments

The investment in the subsidiary is being held at cost.

m. Financial instruments

Financial assets, such as cash and debtors, are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables.

Financial liabilities, such as trade creditors, loans and finance leases, are measured at the present value of the obligation. An equity instrument is any contract that evidences a residual interest in the assets of NPC after deducting all of its liabilities.

n. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o. Cash

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## q. Judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The items in the accounts where these judgements and estimates have been made include:

- estimating the value of work in progress at the period end based on the percentage of work completed.

## r. Statutory information

New Philanthropy Capital is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 4<sup>th</sup> Floor, Harling House, 47-51 Great Suffolk Street, London SE1 0BS.

## 2. Donations and legacies

	2021 (£)	2020 (£)
Donations from or on behalf of trustees	150,000	325,000
Unrestricted Grants	682,500	180,000
Supporters' Circle	112,237	104,316
Other donations	1,000	-
Total	<b>945,737</b>	609,316

All income from donations and legacies was unrestricted in both 2021 and 2020. Total donations received from trustees was £207,500 (2020: £334,999) and this was made up of trustee donations through the Supporters' Circle, and unrestricted funding.

NPC would also like to thank Oak Foundation, Gatsby Foundation, Swire Charitable Trust, Garfield Weston Foundation and The Tuixen Foundation for their unrestricted grants in support of NPC. This funding was invaluable to allowing NPC to continue delivering to our mission.

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 3. Restricted revenue

Think tank		2021 (£)	2020 (£)
Inspiring Impact	Access	-	6,911
	National Lottery Community Fund	200,000	200,000
Criminal Justice	Goldsmiths	-	10,000
	Porticus	33,500	-
My Best Life	Paul Hamlyn Foundation	59,640	150,000
State of the Sector	Barrow Cadbury Trust	-	15,000
	Lloyd Bank Foundation	-	20,000
	PricewaterhouseCoopers	-	15,000
	Odgers Berndtson	-	5,000
Covid 19 Data Analysis	The Health Foundation	3,000	27,000
Open Philanthropy	Indigo Trust	25,000	-
	Marcelle Speller	12,500	-
Rethink, Rebuild	Gatsby Foundation	100,000	-
<b>Total think tank</b>		<b>433,640</b>	<b>448,911</b>

Consulting		2021 (£)	2020 (£)
Trustee seminars	Clothworkers' Foundation	21,000	14,000
Transition Advice Fund	Unbound Philanthropy	-	65,000
	Legal Education Fund	-	25,000
	Paul Hamlyn Foundation	-	40,000
	Foundation Open Society Institute	-	37,688
	Barrow Cadbury Trust	20,000	25,000
Arts Outreach Research	Mohn Westlake	-	20,583
Big Questions in Classrooms	Templeton World Charity Foundation	117,271	-
Discounted Legacy System	Anthony Bolton	-	33,725
Coordination on Place	Rothschild Foundation	14,950	-
Bucks Place Based Data Lab	Rothschild Foundation	13,450	-
Collective Strategy	The Childhood Trust	5,000	-
<b>Total consulting</b>		<b>191,671</b>	<b>260,996</b>
<b>Total restricted revenue</b>		<b>625,311</b>	<b>709,907</b>

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 4. Expenditure

	Cost of raising funds (£)	Consulting (£)	Think tank (£)	Communication & events (£)	2021 Total (£)	2020 Total (£)
Staff costs	186,036	505,116	1,054,117	259,035	<b>2,004,304</b>	1,983,629
Travel & subsistence	89	469	103	19	<b>680</b>	14,750
Recruitment & training	105	1,071	2,538	20	<b>3,734</b>	6,956
Partners & associates	30,271	82,671	211,792	1,960	<b>326,694</b>	315,408
Subscriptions, publications & data sources	426	884	1,823	2,715	<b>5,848</b>	5,842
IT, telecoms & equipment	1,979	997	851	8,710	<b>12,537</b>	7,093
Printing & Distribution	287	103	21	-	<b>411</b>	43
Marketing & PR	78	301	6	12,189	<b>12,574</b>	66,781
Grant-making (note 5)	-	87,982	43,863	-	<b>131,845</b>	373,532
Other direct costs	8	2,911	(9,674)	-	<b>(6,755)</b>	15,589
<b>Governance</b>						
Staff costs—governance	323	1,006	1,868	359	<b>3,556</b>	6,400
Audit fees	993	3,088	5,736	1,103	<b>10,920</b>	10,533
Trustee recruitment	-	-	-	-	-	-
<b>Other support costs</b>						
Other staff & recruitment costs	1,792	5,577	10,357	1,992	<b>19,718</b>	30,682
Consultants & temp staff	2,872	8,936	16,595	3,191	<b>31,594</b>	25,473
Premises costs	17,579	54,691	101,569	19,532	<b>193,371</b>	205,914
Other office costs	1,498	4,661	8,656	1,665	<b>16,480</b>	27,209
Website & IT	5,139	15,986	29,689	5,709	<b>56,523</b>	56,874
Legal & professional	3,114	9,687	17,990	3,460	<b>34,251</b>	26,200
Bank charges	1,018	3,168	5,884	1,132	<b>11,202</b>	2,176
VAT	1,369	4,260	7,912	1,522	<b>15,063</b>	27,476
Depreciation	967	3,010	5,590	1,076	<b>10,643</b>	16,753
<b>Total expenditure</b>	<b>255,943</b>	<b>796,575</b>	<b>1,517,286</b>	<b>325,389</b>	<b>2,895,193</b>	<b>3,225,273</b>
<b>Total expenditure 2020</b>	<b>208,399</b>	<b>1,025,411</b>	<b>1,602,346</b>	<b>389,117</b>		<b>3,225,273</b>

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 4. Expenditure, continued (Prior year)

PRIOR YEAR	Cost of raising funds (£)	Consulting (£)	Think tank (£)	Communications (£)	2020 Total (£)
Staff costs	145,235	546,972	1,007,746	283,676	1,983,629
Travel & subsistence	1,842	6,584	5,168	1,156	14,750
Recruitment & training	513	1,213	2,026	3,204	6,956
Partners & associates	33,403	90,479	190,476	1,050	315,408
Subscriptions, publications & data sources	507	1,020	1,587	2,728	5,842
IT, telecoms & equipment	211	304	377	6,201	7,093
Marketing & PR	-	31,055	3,163	32,563	66,781
Grant-making (note 5)	-	212,277	161,255	-	373,532
Other direct costs	591	4,579	8,499	1,920	15,589
<b>Governance</b>					
Staff costs—governance	383	1,923	3,262	832	6,400
Audit fees	631	3,165	5,368	1,369	10,533
Trustee recruitment	-	-	-	-	-
<b>Other support costs</b>					
Other staff & recruitment costs	1,837	9,220	15,638	3,987	30,682
Consultants & temp staff	1,526	7,655	12,982	3,310	25,473
Premises costs	12,334	61,879	104,943	26,758	205,915
Office move costs	-	-	-	-	-
Other office costs	1,630	8,176	13,867	3,536	27,209
Website & IT	3,407	17,091	28,985	7,391	56,874
Legal & professional	1,569	7,873	13,353	3,405	26,200
Bank charges	130	654	1,109	283	2,176
VAT	1,646	8,257	14,003	3,570	27,476
Depreciation	1,004	5,035	8,539	2,178	16,753
<b>Total expenditure</b>	<b>208,399</b>	<b>1,025,411</b>	<b>1,602,346</b>	<b>389,117</b>	<b>3,225,273</b>

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 5. Grant-making

Grants of £10,000 or over were made to the following organisations:

UK	2021 (£)	2020 (£)
National Council for Voluntary Organisations	10,000	20,000
Evaluation Support Scotland	20,000	20,000
the3Million	-	34,250
Community Evaluation Northern Ireland	-	3,750
JCWI	32,246	69,687
Public Law Project	12,125	48,500
The Childrens Society	-	12,335
Social Value UK	22,000	32,000
Wales Council for Voluntary Action	-	20,000
Roma Support Group	-	11,250
Migration Observatory	-	12,952
Rights of Women	-	13,890
Unlock Democracy	6,529	17,000
Community Development & Health Network	-	16,251
Founders & Coders	1,500	10,500
UK Youth	14,445	12,757
WCVA	10,000	-
Grants < £10,000	3,000	18,410
<b>Total grants</b>	<b>131,845</b>	<b>373,532</b>

## 6. Net movement in funds for the year

This is stated after charging:

	2021 (£)	2020 (£)
Auditor's remuneration (excluding VAT)		
- audit	10,920	10,500

## 7. Trustees' remuneration and expenses

The trustees neither received nor waived any emoluments during the year (2020: £nil) and no expenses were reimbursed to trustees (2020: £nil).

*“[NPC is] very effective in convening and collating diverse insights and expertise.”*

Survey respondent

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 8. Staff costs

	2021 (£)	2020 (£)
Wages and salaries	<b>1,669,475</b>	1,685,188
Social security costs	<b>155,535</b>	139,239
Pension costs	<b>182,850</b>	165,602
<b>Total</b>	<b>2,007,860</b>	1,990,029

The number of employees whose emoluments, as defined for taxation purposes, amounted to over £60,000 in the year was as follows:

	2021 (No.)	2020 (No.)
£60,001–£70,000	-	1
£70,001–£80,000	<b>2</b>	1
£80,001- £100,000	-	-
£100,001–£110,000	<b>1</b>	1

The average number of employees during the year was 44 (2020: 44).

The total amounts paid for salaries, fees and expenses in respect to the key management personnel of the charity were £384,994 (2020: £385,098). Key management personnel make up the senior management team, which consists of the Chief Executive, the Chief Operating Officer, the Director of Consulting, the Director of Innovation & Development, the Head of Communication and the Head of Policy. In the aftermath of Covid 19 some senior management team members voluntarily reduced their salaries through to September 2021. Without these reductions total amounts paid would have been £390,463.

The average number of employees, calculated on a full-time basis, analysed by function, was:

	2021 (No.)	2020 (No.)
Consulting	<b>17</b>	16
Think tank	<b>9</b>	8
Innovation & development	<b>4</b>	4
Communications & marketing	<b>3</b>	4
Executive, operations & strategy	<b>6</b>	7
<b>Total</b>	<b>39</b>	39

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 9. Related party transactions

Aggregate donations and grants from trustees were £207,500 (2020: £334,999).

More information can be found in note 2.

During the year the charity received the following from related parties:

Client	Relationship	2021 (£)	2020 (£)
Allan & Gill Gray	One of NPC's staff members is a trustee	-	15,567
Baring Foundation	One of NPC's trustees is a trustee	16,200	19,360
Gatsby Foundation	One of NPC's trustees is a close family member of a trustee of the Foundation	200,000	50,000
Indigo Trust	One of NPC's trustees is a Director	25,000	40,000
Heart of the City	One of NPC's trustees is Chair	11,238	11,238
Big Society Capital	One of NPC's trustees is Chair	-	700

There were no other related party transactions in the current or previous year.

## 10. Pensions

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £182,850 (2020: £165,602). At 30 June 2021, contributions amounting to £16,644 (2020: £14,215) were payable to the scheme and are included in creditors.

## 11. Investments

The charity has an investment of £1 (2020: £1) in NPC Trading Ltd. An equivalent amount is shown in creditors.

## 12. Subsidiary company

The charity owns the whole of the issued ordinary share capital of NPC Trading Ltd (registered company number 4419576), which was incorporated and registered in England on 18 April 2003. The purpose of the subsidiary is to carry on business as a general commercial company to procure profits and gains for the purpose of paying them to New Philanthropy Capital (registered company number 4244715) or any other charitable body that succeeds to its charitable purpose. The company was dormant throughout the year and has not been consolidated.

The aggregate of the assets, liabilities and funds of NPC Trading Ltd was as follows:

	2021 (£)	2020 (£)
Net assets	1	1
Funds (represented by one share of £1)	1	1

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 13. Tangible fixed assets

Cost	Computer equipment (£)	Total (£)
At 1 July 2020	52,676	52,676
Additions	6,924	6,925
<b>30 June 2021</b>	<b>59,600</b>	<b>59,601</b>
<b>Depreciation</b>		
At 1 July 2020	38,052	38,052
Charge for period	10,643	10,643
<b>30 June 2021</b>	<b>48,695</b>	<b>48,695</b>
<b>NBV at 30 June 2021</b>	<b>10,905</b>	<b>10,905</b>
NBV at 30 June 2020	14,624	14,624

## 14. Debtors and prepayments

	2021 (£)	2020 (£)
Trade debtors	74,262	173,155
Prepayments	246,690	158,415
Donations and fees receivable	313,131	334,542
Other debtors	484	3,471
	<b>634,567</b>	<b>669,583</b>

## 15. Creditors: amounts falling due within one year

	2021 (£)	2020 (£)
Trade creditors	68,128	150,005
Taxation and social security	50,428	43,816
VAT	99,426	106,248
Pensions	16,644	14,215
Deferred income	216,813	263,466
Accruals	172,279	122,473
Other creditors	2,319	745
	<b>626,037</b>	<b>700,968</b>

Deferred income consists of consultancy income billed in advance.

	£
Deferred income as at 30 June 2020	263,466
Deferred income released during the year	(263,466)
Income deferred during the year	216,813
<b>Deferred income as at 30 June 2021</b>	<b>216,813</b>

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 16. Provisions

	£
At 30 June 2020	52,000
Movement during the year	<u>(12,000)</u>
At 30 June 2021	<u>40,000</u>

Provisions represent dilapidations payments due at the end of the lease term for office space.

*“My organization does not have a standard framework for measuring our work. I've been reading NPC's resources to help shape a proposal to create one.”*

**Survey respondent**

## 17. Analysis of net assets between funds

Fund balances at 30 June 2021 are represented by:	Unrestricted funds (£)	Restricted funds (£)	Total (£)
Investments	1	-	1
Tangible Fixed Assets	10,905	-	10,905
Current assets	1,336,717	329,933	1,666,650
Current liabilities	(626,037)	-	(626,037)
Long term liabilities	(40,000)	-	(40,000)
<b>Total net assets</b>	<u>681,586</u>	<u>329,933</u>	<u>1,011,519</u>

*Prior year*

Fund balances at 30 June 2020 are represented by:	Unrestricted funds (£)	Restricted funds (£)	Total (£)
Investments	1	-	1
Tangible fixed assets	14,624	-	14,624
Current assets	1,010,691	259,404	1,270,095
Current liabilities	(700,968)	-	(700,968)
Long term liabilities	(52,001)	-	(52,001)
<b>Total net assets</b>	<u>272,347</u>	<u>259,404</u>	<u>531,751</u>

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 18. Restricted and unrestricted funds

The funds of the charity include restricted funds. These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds	At the start of the year (£)	Income (£)	Expenditure (£)	Transfers (£)	At the end of the year (£)
Inspiring Impact - collaboration to improve impact measurement practice across charity sector	43,303	200,000	(111,420)	-	131,883
Homelessness - research into trends and sector interventions	4,589	-	(4,589)	-	-
Research into arts outreach	1,335	-	(1,335)	-	-
Research big questions in classroom knowledge	1,432	11,955	(13,387)	-	-
My Best Life - collaborative project seeking digital solutions to the challenges facing young people today	108,373	59,640	(131,553)	-	36,459
Transition Advice Fund (Programme Management)	27,382	14,242	(28,315)	-	13,309
Transition Advice Fund (grants)	45,142	5,758	(50,900)	-	-
Criminal Justice	10,000	33,500	(24,877)	-	18,623
State of the Sector	-	-	(18,800)	18,800	-
Health Foundation	17,848	3,000	(20,848)	-	-
Collective Strategy	-	5,000	(5,000)	-	-
Rethink, Rebuild	-	100,000	(75,010)	-	24,990
Cothworkers Trusteeship 20-21	-	21,000	(21,000)	-	-
Coordination on place	-	14,950	(14,950)	-	-
Bucks Place Based Data	-	13,450	(23,266)	-	(9,816)
Open Philanthropy	-	37,500	(12,240)	-	25,260
Research big questions in classroom knowledge (Phase 2)	-	105,316	(16,091)	-	89,225
<b>Total restricted funds</b>	<b>259,404</b>	<b>625,311</b>	<b>(573,582)</b>	<b>18,800</b>	<b>329,933</b>
<b>Total unrestricted funds</b>	<b>272,347</b>	<b>2,749,650</b>	<b>(2,321,611)</b>	<b>(18,800)</b>	<b>681,586</b>
<b>Total funds</b>	<b>531,751</b>	<b>3,374,961</b>	<b>2,895,193</b>	<b>-</b>	<b>1,011,519</b>

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 18. Restricted and unrestricted funds, continued (prior year)

Restricted funds - Prior Year (2020)	At the start of the year (£)	Income (£)	Expenditure (£)	Transfers (£)	At the end of the year (£)
Inspiring Impact—collaboration to improve impact measurement practice across charity sector	24,032	206,911	(208,205)	20,565	<b>43,303</b>
Homelessness – research into trends and sector interventions	20,000	-	(15,411)	-	<b>4,589</b>
Update to our Theory of Change	11,618	-	(11,618)	-	-
Research into arts outreach	-	20,583	(19,248)	-	<b>1,335</b>
Research big questions in classroom knowledge	74,566	-	(73,134)	-	<b>1,432</b>
My Best Life - collaborative project seeking digital solutions to the challenges facing young people today	19,414	150,000	(61,041)	-	<b>108,373</b>
Diversity – series of podcasts and essays on diversity, equality and inclusion	1,500	-	(1,500)	-	-
Transition Advice Fund (Programme Management)	20,409	26,219	(19,246)	-	<b>27,382</b>
Transition Advice Fund (grants)	108,667	166,469	(229,994)	-	<b>45,142</b>
Impact Management Programme small grants	20,565	-	-	(20,565)	-
Trusteeship (Clothworkers)	-	14,000	(14,000)	-	-
Homelessness 2	-	10,000	-	-	<b>10,000</b>
State of the Sector	-	55,000	(76,200)	21,200	-
Anthony Bolton	-	33,725	(33,725)	-	-
Health Foundation	-	27,000	(9,152)	-	<b>17,848</b>
<b>Total restricted funds</b>	<b>300,771</b>	<b>709,907</b>	<b>(772,474)</b>	<b>21,200</b>	<b>259,404</b>
<b>Total unrestricted funds</b>	<b>389,588</b>	<b>2,356,758</b>	<b>(2,452,799)</b>	<b>(21,200)</b>	<b>272,347</b>
<b>Total funds</b>	<b>690,359</b>	<b>3,066,665</b>	<b>(3,225,273)</b>	<b>-</b>	<b>531,751</b>

# Notes forming part of the financial statements, continued

For the year ended 30 June 2021

## 19. Financial commitments

As at 30 June 2021 the charity was committed to making the following payments under non-cancellable operating leases:

	Land & Buildings (£)	
	2021	2020
Within one year	134,375	132,350
Within two to five years	93,750	-
<b>Total</b>	<b>228,125</b>	132,350

## 20. Post balance sheet events

There are no post balance sheet events to report.

## 21. Detailed comparatives for the statement of financial activities (2020)

	Unrestricted Funds (£)	Restricted Funds (£)	2020 Total (£)	2019 Total (£)
<b>Income from</b>				
Donations and legacies	609,316	-	<b>609,316</b>	504,384
Charitable activities				
<i>Consulting</i>	1,636,671	260,996	<b>1,897,667</b>	2,146,830
<i>Think tank</i>	-	448,911	<b>448,911</b>	398,621
<i>Communications</i>	49,367	-	<b>49,367</b>	75,792
Other trading activities	7,838	-	<b>7,838</b>	14,392
Other income	52,881	-	<b>52,881</b>	84,300
Investments	685	-	<b>685</b>	602
<b>Total income</b>	<b>2,356,758</b>	<b>709,907</b>	<b>3,066,665</b>	3,224,921
<b>Expenditure on</b>				
Raising funds				
Charitable activities	208,399	-	<b>208,399</b>	159,404
<i>Consulting</i>	1,185,970	416,376	<b>1,602,346</b>	1,673,276
<i>Think tank</i>	669,313	356,098	<b>1,025,411</b>	1,080,948
<i>Communications</i>	389,117	-	<b>389,117</b>	418,967
<b>Total expenditure</b>	<b>2,452,799</b>	<b>772,474</b>	<b>3,225,273</b>	3,332,595
<b>Net income/(expenditure) for the year</b>	<b>(96,041)</b>	<b>(62,567)</b>	<b>(158,608)</b>	(107,674)
<b>Transfers</b>	(21,200)	21,200	-	-
<b>Net movement in funds</b>	<b>(117,241)</b>	<b>(41,367)</b>	<b>(158,608)</b>	(107,674)
Balance brought forward at 1 July	389,588	300,771	<b>690,359</b>	798,033
Balance carried forward at 30 June	272,347	259,404	<b>531,751</b>	690,359

# Reference and administrative details



**Charity registration number:** 1091450

**Company registration number:** 4244715

**Trustees:** Delroy Corinaldi  
Sally-Anne Greenfield (resigned October 2021)  
Lucy de Groot  
Vaughan Lindsay (Chair)  
Sir Harvey McGrath  
Francesca Perrin  
Fiona Rawes (appointed June 2021)  
John Stares (Vice-Chair)  
Albert Tucker (appointed June 2021)  
Peter Wheeler

**Policy Advisory Board (co-opted):** Charlotte Alldritt  
Dame Kate Barker  
Sir Steve Bullock DL  
Daria Kuznetsova  
Neil McInroy  
James Plunkett  
Neil Sherlock

**Development Board (co-opted):** Caroline Slocock  
Nick Timmins  
Keith MacDonald  
Chris White

**Chief executive:** Dan Corry

**Registered office:** Harling House, 47-51 Great Suffolk Street,  
London, SE1 0BS

**Auditors:** Haysmacintyre LLP,  
10 Queen Street Place,  
London EC4R 1AG

**Bankers:** NatWest, Charing Cross Business Centre,  
3rd Floor, Cavell House  
London WC2H 0NN

**Solicitors:** Bates, Wells & Braithwaite,  
10 Queen Street Place  
London EC4R 1AG

# About NPC

NPC is a charity think tank and consultancy. We help charities, foundations, philanthropists, impact investors, social enterprises, corporates, and the public sector to maximise social impact in the lives of the people they serve.

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*“Good ideas, effective research,  
independent thinking.”*

NPC Survey

