

ACCESS - THE FOUNDATION FOR SOCIAL INVESTMENT

England & Wales · Charity number 1159699

Details

Status Registered

Legal form Charitable company

Company number [09153909](#)

Registered 2014-12-19

Register [View on the Charity Commission register](#)

Contact

Address Script
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London
EC1Y 8RN

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Website <http://access-socialinvestment.org.uk/>

Activities

Objects: THE OBJECTS OF THE COMPANY ARE, FOR THE PUBLIC BENEFIT: 1) PROMOTING THE EFFECTIVE USE OF RESOURCES FOR CHARITABLE PURPOSES BY THE SOCIAL SECTOR INCLUDING, WITHOUT LIMITATION, BY:(I) IDENTIFYING NEEDS IN THE SOCIAL SECTOR, SUCH AS ACCESS TO FINANCE, AND SUPPORTING AND DEVELOPING PROGRAMMES, POLICIES, ACTIVITIES AND INITIATIVES TO ADDRESS THOSE NEEDS; AND(II) DEVELOPING CAPACITIES AND SKILLS OF THE SOCIAL SECTOR.2) FURTHERING SUCH OTHER PURPOSES AS ARE EXCLUSIVELY CHARITABLE UNDER THE LAWS OF ENGLAND AND WALES AS THE DIRECTORS FROM TIME TO TIME DETERMINE, INCLUDING, WITHOUT LIMITATION, SUPPORTING WORK UNDERTAKEN BY SOCIAL ORGANISATIONS WHICH HAS A CHARITABLE PURPOSE. THE "SOCIAL SECTOR" MEANS CHARITIES AND SOCIAL ORGANISATIONS. "SOCIAL ORGANISATIONS" ARE INDEPENDENT ORGANISATIONS, NOT INCLUDING LOCAL GOVERNMENT OR OTHER STATUTORY AUTHORITIES, WHICH ARE ESTABLISHED FOR PURPOSES THAT ADD VALUE TO THE COMMUNITY AS A WHOLE, OR A SIGNIFICANT SECTION OF THE COMMUNITY, AND WHICH ARE NOT ESTABLISHED PRIMARILY TO DISTRIBUTE A PROFIT.THE COMPANY SHALL NOT CONFER ANY PRIVATE BENEFIT, EXCEPT WHERE, IN CARRYING OUT ITS OBJECTS, SUCH PRIVATE BENEFIT IS INCIDENTAL TO THE FURTHERANCE OF THE OBJECTS.

Activities: Access aims to bridge the gap in the social investment market so that suitable finance and support is available to social enterprises and charities which are new to social investment. Access will be a wholesale provider, working with and through existing market players to deliver its programmes. This enables Access to take a strategic view of the needs of social ventures over the next decade.

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, Economic/community Development/employment
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£12,511,000	£17,783,000	£16,657,000	13
2024-12-31	£18,249,000	£24,644,000	£21,530,000	12
2023-12-31	£11,831,000	£19,766,000	£27,943,000	9
2022-12-31	£3,365,000	£9,572,000	£35,654,000	8
2021-12-31	£7,410,000	£12,867,000	£44,528,000	8
2020-12-31	£9,568,000	£8,884,000	£50,886,000	8

Trustees

Name	Role	Appointed
Emilie Goodall		2020-09-16
Felicia Mattis-Rome		2025-11-26
Franz Ranero		2020-09-16
Kate Kuper		2019-09-25
Mohammed Sarwar		2025-11-26
Nicholas Hurd		2020-02-05
Robert John Williamson		2019-09-25
Roshana Arasaratnam		2025-07-09
Simon Hewett-Avison		2025-11-26
Whitni Thomas		2025-11-26

ACCESS - THE FOUNDATION FOR SOCIAL INVESTMENT

England & Wales - Charity number 1159699

Accounts



Access – The Foundation for Social Investment

Annual Report and Accounts

31 December 2025

Charity Registration Number 1159699
Company Registration Number 09153909

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Reference and administrative details of the charity its trustees and advisers

Trustees	Nick Hurd (Chair) Emilie Goodall Franz Ranero Heather Hilburn Kate Kuper (Senior Independent Trustee from 9 May 2025) Jane Ide (to 27 Nov 2025) Martin Rich (Senior Independent Trustee to 8 May 2025) Robert Williamson Susan Cooper Samantha Latouche (to 19 April 2025) Roshana Arasaratnam (from 9 July 2025) Whitni Thomas (from 26 Nov 2025) Simon Hewett-Avison (from 26 Nov 2025) Hamzah Sarwar (from 26 Nov 2025) Felicia Mattis-Rome (from 26 Nov 2025)
Senior leadership team	
Chief Executive Officer	Seb Elsworth
Director of Programmes	Neil Berry
Director of Partnerships and Advocacy	Chloe Stables
Director of Finance and Operations	Melinda Palmer
Director of Impact and Evaluation	Lydia Levy
Registered office	Script 44 Featherstone Street London EC1Y 8RN
Website	access-socialinvestment.org.uk
E-mail	info@access-si.org.uk
Charity registration number	1159699
Company registration number	09153909

Reference and administrative details of the charity its trustees and advisers

Auditor Buzzacott Audit LLP
130 Wood Street
London
EC2V 6DL

Investment advisors Rathbones Group Plc
30 Gresham Street
London
EC2V 7QN

Bankers Triodos Bank UK Limited
Deanery Road
Bristol
BS1 5AS

The Charity Bank Limited
Fosse House
182 High Street
Tonbridge
TN9 1BE

Reliance Bank Limited
Faith House
23 - 24 Lovat Lane
London
EC3R 8EB

Unity Trust Bank
Four Brindleyplace
Birmingham
B1 2JB

Trustees' report Year to 31 December 2025

The trustees present their statutory report together with the accounts of Access – The Foundation for Social Investment (Access) for the year ended 31 December 2025.

The trustees' report has been prepared in accordance with part 8 of the Charities Act 2011 but also comprises a directors' report and a strategic report for the purpose of company legislation. The accounts have been prepared in accordance with the principal accounting policies set out therein and comply with the charitable company's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

Strategic report

We are Access – The Foundation for Social Investment

Access helps charities and social enterprises become financially sustainable and reach more people.

Our mission

We want an investment ecosystem that works for all charities and social enterprises and helps create stronger communities.

Access helps charities and social enterprises get the finance they need to make a difference. Together with our partners, we ensure they have the means to sustain or scale their impact.

Designed to 'disrupt' the existing social investment market and widen its reach into places and communities that were previously excluded, we target organisations that need patient and flexible investment by:

- ◆ Funding blended finance and enterprise development programmes in England.
- ◆ Sharing knowledge and data and translating it into practical insight that others can use.
- ◆ Mobilising others who share our goal of making capital work for communities.

Our history

Access was established in 2015. It was created in response to evidence that growth in the social investment market was not meeting the needs of many charities and social enterprises.

Appropriate finance was often unavailable. Investments were either too risky, too small, or structured in ways that did not meet organisations' needs. Support to develop enterprise models was patchy and under-resourced.

Our strategy

A small number of strategic themes drive our work:

- ◆ **Demonstrating the value of blended finance** - By combining grants with repayable finance into a blended package, we enable intermediaries to provide smaller-scale, higher-risk, more patient and flexible finance that meets the needs of a broad range of charities and social enterprises, particularly smaller organisations or those working in disadvantaged areas.
- ◆ **Championing enterprise development** - By supporting charities and social enterprises to develop enterprise models, we help organisations to find a more secure financial footing and build a more sustainable and resilient sector, better placed to meet the evolving needs of communities.
- ◆ **Insight and advocacy** - Our impact lies not just in the programmes we fund, but in our influence over the broader social investment ecosystem. Increasingly, our focus is on sharing the learning we have generated, and mobilising partners - including mainstream investors, foundations and infrastructure bodies - to strengthen the wider social investment ecosystem.
- ◆ **Investing for social impact and financial return** - In our operating model, we seek to maximise opportunities to generate impact. Most significantly, we invest our expendable endowment and other funds to achieve social impact alongside a financial return. These returns help fund our grant-making and increase the endowment's overall impact over time.

Public benefit

When reviewing the aims and activities of the charity and the provision of public benefit, the trustees have had regard to the general guidance provided by the Charity Commission. The trustees believe that the aims of the charity set out above are demonstrably for the public benefit.

Summary of 2025 achievements

- ◆ Securing £87.5 million from Dormant Assets for social investment.
- ◆ Unlocking investment: £195m to over 3,600 charities and social enterprises over ten years.
- ◆ Targeting underserved places: 49% of investments in the 30% most deprived areas.
- ◆ Supporting diverse-led organisations: our newer programmes deliver 3.5x more investment to underserved communities.
- ◆ Facilitating the investment of £38 million in patient and flexible capital.
- ◆ Enabling deployment of £20 million in smaller-scale, unsecured finance.
- ◆ Convening partners to build place-based social investment.
- ◆ Building a market fit for the future.
- ◆ Convening networks: driving collaboration across social investment, impact investing, and philanthropy.
- ◆ Delivering social and environmental impact: 17% return through our endowment.
- ◆ Celebrating our 10th anniversary.
- ◆ Refining our strategic focus for 2025 and beyond.

Securing £87.5 million from Dormant Assets for social investment

In 2025, the Government confirmed that £87.5 million from the Dormant Assets Scheme will be allocated for social investment.

Access will oversee this allocation, working closely with partners to deliver on the [Dormant Assets Strategy](#) and the aspirations set out in the [Community Enterprise Growth Plan](#). The Community Enterprise Growth Plan aims to increase investment in community enterprises and mission-driven businesses, particularly in the places and communities most affected by long-term economic decline.

The £87.5 million allocation includes:

- ◆ £12 million of scale-up funding for a Black and Ethnically Minoritised-led social investment fund, [Pathway Fund](#).
- ◆ At least £12.5 million earmarked to support youth-focused organisations.

The allocation from the Dormant Assets Scheme is the culmination of a huge effort working across social investment and the broader community that supports community-based charities and social enterprises. We are hugely grateful for collective efforts over the last few years to make this a reality and are excited to continue partnering with others to grow socially-driven and community-based enterprises in underserved places and communities

Once confirmation of Dormant Asset funding was received, Access moved quickly to run a short consultation over the summer of 2025, publishing our intended investment approach and proposing how we would use the £87.5 million to deliver on the Dormant Assets Strategy and the aspirations set out in Community Enterprise Growth Plan.

During the six-week consultation period, we:

- ◆ Held two webinars to talk through our Investment Approach and answer questions. Over 100 organisations attended.
- ◆ Invited detailed feedback through written responses or one-to-ones with a member of the Access team. 44 organisations responded.
- ◆ Held seven focus groups to hear from a range of stakeholders on specific topics. 53 organisations took part in one or more of these focus groups.

In total, we heard from 75 different organisations through individual responses and focus groups. These organisations spanned a wide range of stakeholder groups including social investors, grant-makers, charities, foundations, banks and other capital providers, sector networks, local and national government bodies, other local and national infrastructure organisations, VCSE support providers, other Dormant Assets wholesalers and more.

In October 2025, following the confirmation of the spending direction issued by Government, we opened to applications from social investors and other delivery partners.

Unlocking investment: £195 million to over 3,600 charities and social enterprises over 10 years

Since 2015, our partners have deployed more than £195 million in investment to over 3,600 organisations, transforming the supply of small-scale, patient finance.

Many of these organisations would have struggled to secure investment elsewhere - particularly those in underserved communities or at early stages of trading.

By backing funds and intermediaries that understand these organisations, we continue to broaden access to the right kind of capital, enabling charities and social enterprises to strengthen their resilience and grow their impact.

Since its inception, Access and its partners have now deployed over £65.6 million in grant. By the end of December 2025, this had unlocked over £195.3 million of investment (this amount will increase as more funds are deployed). In 2025 alone, Access and its partners deployed £8.4 million in grant, unlocking £41.9 million of wider investments.

Targeting underserved places: 49% of investments in the 30% most deprived areas

Our funding is reaching charities and social enterprises based in the most deprived areas of England.

- ◆ 23% of our investments are in the 10% most deprived areas in the country.
- ◆ 49% of our investments are in the 30% most deprived areas in the country.

This reflects our commitment to directing patient and flexible capital to places where access to finance is most constrained.

Supporting diverse-led organisations: our newer programmes deliver 3.5x more investment to underserved communities

We measure whether our funding is flowing to underserved communities and organisations led by protected groups. Reaching diverse-led organisations matters because these are groups that have historically struggled to access the finance they need.

Across the programmes we have data for our investments have gone to:

- ◆ 15% **Black and Ethnically Minoritised-led organisations**
- ◆ 5% **Disability-led organisations**
- ◆ 1% **LGBTQ-led**
- ◆ 35% **Women-led**

Trustees' report Year to 31 December 2025

Over the last few years, we have increased the amount of data we collect on diversity and inclusion. Analysis from our Flexible Finance programme shows that it has delivered more investment to underserved communities than other Access programmes, with 27% of organisations receiving investment through the programme Black and Ethnically Minoritised-led. Noting that all of our programmes are at different stages of deployment, which makes a like-for-like comparison challenging.

As we look to 2026, we have more work to do to ensure our funding is reaching communities and organisations led by protected groups. We will update progress against commitments in our equity, diversity and inclusion policy and action plan. In 2025, we also published a diversity audit covering the composition of the board, investment committee and staff team, and a review of pay gaps was undertaken internally by an HR professional.

Facilitating the investment of £38 million in patient and flexible capital

Flexible Finance is Access's £22 million programme, funded by the Dormant Asset Scheme, dedicated to closing the gap in patient and flexible social investment products for charities and social enterprises. Launched in 2021, the programme focuses on creating a more inclusive financing ecosystem, specifically targeting underserved markets, including those from marginalised or Black and minoritised communities.

By working closely with social investment partners, the programme supports business models that require longer timelines to generate the returns investors seek, while also attracting capital providers with varying risk appetites to blend with our grant subsidy.

As of December 2025, the programme has seen eight funds deploy £38.2 million in 194 investments. To date, Flexible Finance has delivered £8.5 million to Black and minoritised-led organisations, representing just under one-quarter of its total £38.2 million investment. This represents a much higher proportion of total programme investment flowing to these communities than our other programmes.

Enabling deployment of £20 million in smaller scale, unsecured finance

Our Enterprise Growth for Communities programme continues to broaden the availability of social investment to smaller organisations, particularly those in disadvantaged areas. Evidence shows that charities and social enterprises typically seek smaller, unsecured finance options. This programme provides the right type of finance for a wide range of organisations, especially smaller ones based in underserved areas and led by more diverse groups.

The fund aims to leverage £20 million of Dormant Assets funding to deliver over £60 million to charities and social enterprises through co-investment and recycling. With four funds now deploying, the programme has made 227 investments, delivering £19.8 million (an average investment of £86,700).

Trustees' report Year to 31 December 2025

In addition to the above, 2025 saw the continuation of several significant programmes that have added to the forms of finance available to charities and social enterprises:

- ◆ Support for the energy resilience of charities and social enterprises, helping them reduce energy costs, improve energy efficiency, and contribute to a just transition to a greener future. The programme began investing through multiple partners in 2024. By the end of 2025, 81 organisations had received more than £9.88 million to improve the energy performance of their buildings.
- ◆ Our £11 million Cost of Living programme launched in autumn 2023 with the majority of deployment happening in 2024. By the end of 2025, 12 partners had supported over 293 charities and social enterprise using trading models to support those hardest hit by the cost of living crisis. In total, £19 million of investment has reached charities and social enterprises.
- ◆ The Reach Fund continued to support VCSEs close to taking on investments by providing 1,214 in grants by the end of 2025.

Convening partners to build place-based social investment

Local Access is our place based social enterprise development and blended finance programme, working across six places to develop local social economies (Bristol, Bradford, Gainsborough, Greater Manchester, Southwark and Redcar/Cleveland/Hartlepool). The programme hopes to demonstrate how a combination of enterprise support and blended social investment can help to achieve a step change in a local social economy.

Using a £10 million investment from Dormant Assets, the programme is trialling new approaches and products to spark social enterprise and investment where this hasn't traditionally been developed and target underserved communities such as Black and Minoritised communities-led social enterprises. The programme is a partnership between Access and Better Society Capital, with approximately £33 million of funding consisting of both Access grant and Better Society Capital investment capital.

The programme has the potential to deliver long-term systemic change, and we hope that the programme will deliver in time a better understanding of what works to strengthen the social economy in a place. By the end of 2025, a total of 4,534 enterprise support interventions were carried out to develop social enterprises and their investment readiness across the Local Access places.

Building a market fit for the future

Our role is to accelerate change by bringing people together – strengthening existing approaches and helping new ones emerge. That includes supporting the intermediaries, tools, and collaborations that hold the system together.

Trustees' report Year to 31 December 2025

We also use our learning and networks to influence how investment is shaped – especially for smaller organisations in more deprived areas. This means developing stronger networks, improving data and learning, enhancing signposting and access to information, and supporting research and innovation to improve how the system works.

This includes:

- ◆ [Good Finance](#) is a collaborative project to help improve access to information on social investment for charities and social enterprises. As a comprehensive resource hub, the site facilitates these organisations to learn more about social investment and test whether it is right for them.
- ◆ The [Diversity Forum](#) was established to drive inclusive social investment in the UK, through the convening of sector-wide groups, commissioning research, and knowledge sharing. With support from the Connect Fund, the Diversity Fund has three sector-wide initiatives to improve diversity in social investment: the Diversity Working Group, the Diversity Champions Network, and the Diversity Training Group.
- ◆ Equality Impact Investing is a form of social impact investing that explicitly aims to reduce inequality and advance human rights. It applies the equality and human rights movement's internationally recognised aims, principles and standards to social impact investing goals, strategies and impact measurement across the full spectrum of capital. [Equality Impact Investing Programme](#) exists to build the field, and drive increased use of, investing for equality impact.

Convening networks: driving collaboration across social investment, impact investing, and philanthropy

Access plays a unique role at the intersection of social investment, impact investing, and philanthropy, bringing together stakeholders from the private, public, and philanthropic sectors to mobilise capital and share learning.

Key initiatives include:

- ◆ [Blended Finance Collective](#) – Established with Better Society Capital, the European Bank for Reconstruction and Development, Save the Children, and others. The Collective is a community for blended finance practitioners, providing a resource hub, fostering collaboration, and hosting learning events. Since inception, it has held three annual conferences and regular events, reaching over 200 practitioners per event.
- ◆ [Enterprise Grants Taskforce](#) – Developed with the School for Social Entrepreneurs and the Association of Charitable Foundations, the Taskforce is building a movement of enterprise grant-making to support enterprising behaviour in charities and social enterprises, particularly in areas of market failure. Enterprise grants complement unrestricted, project-based, and repayable funding.

Trustees' report Year to 31 December 2025

- ◆ [Work to align money with mission](#) – Encouraging other asset owners to align investing with their mission through convening, coordination, and training. This includes supporting forums by the Association of Charitable Foundations, the Eiris Foundation, and the Impact Investing Institute, and contributing to the Charity Investment Governance Principles.

Delivering social and environment impact: 17% return through our endowment

In 2025, Access continued its 'Total Impact' approach to endowment management, demonstrating that it is possible to generate social and environmental impact while achieving a strong financial return.

- ◆ In 2024, 62% of the endowment was invested in organisations delivering social impact, including 42% directly in UK charities and social enterprises
- ◆ The remainder is invested in organisations with best-in-class ESG performance
- ◆ Despite wider economic challenges, the portfolio managed by Rathbones has outperformed market benchmarks, achieving a total weighted return (after fees) of 17.18% (between the inception of the portfolio in July 2016 to the end of 2024).

Celebrating our 10th Anniversary

In September 2025 Access celebrated 10 years of impact delivered with our partner organisations. The celebrations included a reception held at the Bromley by Bow Centre in East London (a recipient of Access's funds) attended by more than 120 people from our partners, funders and investees of our programmes. The anniversary was also marked by the publication of 10 stories from those who have been central to the work of increasing access to social investment for community organisations over the last ten years. In 2025, we made important strides in telling a clearer story about our work and that of our partners, supported by the launch of new branding, a refreshed website, and a [digital impact report](#).

Refining our strategic focus for 2025 and beyond

In 2025, we published our [2025–28 strategy](#) positioning Access as a catalyst for systemic change in the social investment ecosystem.

The strategy focuses on ensuring charities and social enterprises can access the finance, support, and markets they need to thrive. Key priorities include:

- ◆ Aligning our programmes to work more cohesively across blended finance, enterprise grant-making, and market development.
- ◆ Leveraging diverse sources of capital alongside our own funds and partner contributions.
- ◆ Building the resilience of delivery partners and strengthening organisational capacity.
- ◆ Sharing learning and evidence widely, and focusing advocacy where we can mobilise further capital.

Trustees' report Year to 31 December 2025

This approach reflects our belief that lasting impact requires coordination across the whole social investment landscape, with Access playing a central convening and enabling role.

Governance, structure and management

Governance

The names of the trustees who served during the period are set out as part of the reference and administrative details on page one of this annual report and accounts. Brief biographical details of each of the current trustees can be found on our [website](#).

The trustees are committed to ensuring that the Board has the combination of skills necessary to support the effective provision of access to capital to charities and social enterprises. In particular, the Board of Trustees includes skills and expertise in the following areas: social investment, community regeneration and social enterprise, business, and financial and risk management.

Trustee recruitment is undertaken in a structured and transparent manner, ensuring that the Board continues to have the skills and diversity required to meet its strategic objectives. New trustees are supported through a formal induction process and a buddying system, pairing them with experienced trustees to help them understand their roles and responsibilities effectively.

The trustees have noted the updated Charity Governance Code 2025. Trustees regularly assess their performance and the last external governance review concluded in early 2024. This included assessment against the previous iteration of the Code. The trustees will assess the extent to which the charity's governance arrangements align with its principles, taking forward any actions as appropriate. During the course of the year arrangements for Access's oversight of the Pathway Fund were agreed with the Oversight Trust and National Lottery Community Fund, ensuring that appropriate structures, controls and reporting arrangements are in place. This oversight role for Access will take effect once the funding agreement for the £12m grant from Access to Pathway is signed, expected in mid-2026.

Key management personnel

The key management personnel of Access comprise the trustees, the Chief Executive and the Senior Leadership Team. Remuneration is overseen by the Audit, Risk and Compliance Committee (ARCC). Access operates a structured remuneration policy based on a job levelling framework and defined pay bands, which are designed to ensure fairness, consistency and transparency in pay across the organisation. Roles are assigned to grades based on factors such as responsibilities, complexity, skills and organisational impact. Salaries are periodically benchmarked against comparable organisations in the not-for-profit sector to ensure they remain broadly competitive, while remaining appropriate for a charity. The remuneration policy aims to support the recruitment and retention of skilled staff while ensuring pay progression reflects performance, contribution and organisational need.

Statement of trustees' responsibilities

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance

Trustees' report Year to 31 December 2025

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 income and expenditure of the charity 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 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the accounts on the 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 accounts 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.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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.

Trustees' report Year to 31 December 2025

Structure and management reporting

Access is a charity and company limited by guarantee, with one legal member, the Oversight Trust. The Oversight Trust is also the majority shareholder of Better Society Capital, and the sole legal member of Fair4All Finance and the Youth Futures Foundation. As the sole legal member, the Oversight Trust agrees to contribute £1 in the event of the charity winding up.

Access is governed by the Board of Trustees. The Board of Trustees has six scheduled meetings a year, including an annual strategic away day. Other meetings are called as required. The trustees delegate the day-to-day management of Access to the Executive team.

The Audit, Risk and Compliance Committee (ARCC) is one of two formal subcommittees of the Board, comprising four trustees. The ARCC is responsible for the relationship with the auditors, ensuring the integrity of Access's accounting and financial practices, examining and reviewing all systems and methods of control including financial and risk management, all HR matters and policies and ensuring that Access complies with all aspects of the law, relevant regulation and good practice. The ARCC has four scheduled meetings a year and other meetings are called as required.

The Endowment Investment Committee (EIC) comprises three trustees and two external members. The EIC is responsible for the relationship with our investment managers (Rathbones), and its role is to monitor both the social impact and financial performance of the investments that are being managed on Access's behalf by Rathbones from the endowment funds provided by DCMS and the treasury management of the Dormant Asset funds. The EIC has four scheduled meetings a year and other meetings are called as required.

Risk management

To ensure that risks are appropriately managed and mitigated, a risk register is maintained which enables Access to identify and evaluate both strategic and operational risks, together with the actions required to mitigate them, taking into account existing and proposed controls. The Audit, Risk and Compliance Committee (ARCC) reviews the risk register on a quarterly basis, including risks relating to specific programmes and their ongoing impact on the organisation's work.

In late 2024, the Board also defined a risk appetite framework to support effective risk management and decision-making. The framework recognises that different levels of risk are appropriate across different aspects of Access's work and uses four broad categories of risk appetite: adverse, cautious, open and bold. In general, the organisation has a higher appetite for risk in pursuing its vision and programme objectives, where innovation and system change may require taking considered risks, and a lower appetite for risks relating to governance, compliance, financial controls and operational management. The Board and the ARCC consider the organisation's risk profile against this framework as part of the regular review of the risk register.

The key strategic risks currently managed by the organisation are:

Trustees' report Year to 31 December 2025

- ◆ Long-term resourcing of the social investment ecosystem, including the availability of concessional capital and continued support from key stakeholders.
- ◆ Resilience and performance of delivery partners, many of whom are relatively small organisations operating in challenging economic conditions.
- ◆ External policy and economic factors, including changes in government priorities, macro-economic pressures affecting the sector, and the availability of future funding sources.
- ◆ Financial stewardship and treasury management, including the management of the organisation's funds, banking arrangements and financial controls.
- ◆ Operational resilience, including maintaining appropriate staff capacity, safeguarding key organisational knowledge, and managing risks relating to IT systems and cyber security.

Grant making policy

Access is able to award grants in a variety of ways, namely via the blended finance programmes, Capacity Building programmes or for research work as part of the sharing and mobilising objectives. In awarding grants, we apply the following principles:

- ◆ The ultimate objective of the grant should be to increase access to finance for charities and social organisations and/or to support the growth of the social investment market.
- ◆ The grant may be used by recipients to fund or support charities and social organisations directly or to enable other intermediaries to provide appropriate funding or support to such charities or social organisations.
- ◆ The applicant will need to evidence the use of grant in increasing the efficiency and effectiveness of charities and social organisations.

We do not consider applications for any activities which are outside the Access's objects; any activities which are not considered charitable in accordance with the laws of England and Wales; any political or commercial appeals; or any activities from which a trustee or anyone related to a trustee would benefit.

Applications must be submitted in accordance with our stated programme areas and will be subject to due diligence and a multi-stage decision making process. Grant recipients will be subject to monitoring, feedback requirements and evaluation. The terms of such monitoring and evaluation will vary depending on the type of funding and the programme area funded and details will be set out in the agreement between the recipient and Access.

Investments and Treasury

Spend-down Endowment and transition to Unrestricted Funds

Until November 2025, Access's Capacity Building programmes, Sharing and Mobilising work, and part of its operating costs were supported by an expendable endowment granted by DCMS. The endowment was invested in line with Access's "Total Impact" approach, seeking both positive social impact and a financial return to enhance the overall value delivered during its spend-down period. Our Investment Policy Statement (IPS) governs the management of these investments, setting out financial and impact objectives, permitted asset classes, liquidity requirements, risk management parameters, and reporting arrangements.

Investment performance - Endowment

Rathbones continued to act as our asset manager throughout 2025. On 31 December 2025, the market value of these investments stood at £11.9m (2024 - £13.4m) which included cash held of £0.3m (2024 - £0.2m). The cost of these investments amounted to £12.1m (2024 - £14.5m), and there was an unrealised loss on the change in market value of £5.7m (2024 - £4.3m) to date. Income from this investment portfolio amounted to £11.0m (2024 - £10.5m) to date.

The investment portfolio achieved a Time Weighted Return (TWR) of 7.21% in 2025 (2024 - 4.14%). The target TWR per year is 2-3%. The trustees are satisfied with the performance of the investments, both in terms of financial return and social impact generated.

During the spend-down period, the Endowment Investment Committee and Trustees closely monitored investment risks, particularly credit and liquidity risk. Credit risk was managed through regular review of portfolio holdings and issuer performance, while liquidity risk was mitigated through detailed forecasting of programme expenditure and modelling of asset realisations to meet funding commitments. Market risk exposure was moderated by the strategy of holding most bonds to maturity.

Social Impact Performance - Endowment

The IPS detailed the financial and social objectives of the portfolio, as well as any constraints that Rathbones needs to adhere to. It included guidance on the permitted investments, liquidity requirements, risk management, benchmarking considerations, roles and responsibilities and reporting requirements.

In terms of the impact that the portfolio set out to achieve, we adopted a tiered view of the varying degrees of impact. Access held investments as follows:

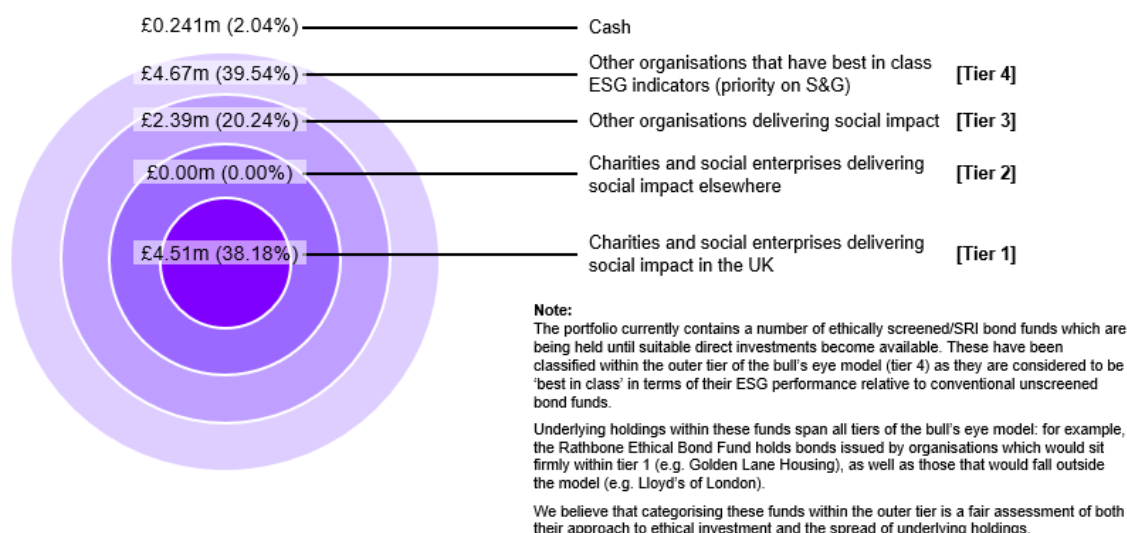
1. Charities and social enterprises delivering social impact in the UK – at 31 December 2025 this was 38.18% (2024 - 41.79%) of total investments (Tier 1 or referred to as the "bull's eye")
2. Charities and social enterprises delivering social impact elsewhere – at 31 December 2025 this was 0.00% (2024 - 0.00%) of total investments (Tier 2)
3. Other organisations delivering social impact – at 31 December 2025 this was 20.24% (2024 - 20.65%) of total investments (Tier 3)

Trustees' report Year to 31 December 2025

4. Other organisations that have best in class Environmental, Social and Governance (ESG) indicators at 31 December 2025 this was 39.54% (2024 – 36.66%) of total investments (Tier 4)
5. Cash – 2.04% (2024 – 0.91%)

This is best represented by a diagram shown below:

Portfolio mapped to the Bull's eye framework as at 31 December 2025



Note: *not to scale*

Impact reports are published on our website. The latest [report](#) is for the year to December 2024.

Capital Preservation and Future Treasury Approach

Following the full utilisation of the endowment in November 2025, Access's financial resilience is now underpinned by its unrestricted funds, and investments are managed in line with the organisation's reserves and treasury policies.

During 2025, our [Investment Policy Statement](#) was updated to reflect the completion of the endowment spend-down and the priority of unrestricted funds. Access continues to apply its "Total Impact" approach when managing available capital, while prioritising capital preservation, liquidity, and alignment with the organisation's charitable objectives and reserves policy.

In terms of financial objectives, future treasury management will focus on safeguarding unrestricted funds, ensuring sufficient liquidity to meet operational and programme oversight obligations, and achieving appropriate returns through deposits and other low-risk instruments consistent with Access's financial resilience requirements.

Trustees' report Year to 31 December 2025

Financial review

Results for the period

Access had net expenditure of £5.3m (2024 - net expenditure £6.4m) in 2025, before investment gains of £0.4m (2024 - loss of £0.02m). The result reflects the final year of spend-down of our endowment in accordance with our mission and the utilisation of restricted grants received.

Income from grants in 2025 was £11.3m (2024 - £16.7m), almost entirely relating to Dormant Asset funding, which is released in the period in which it is spent. The majority of the reduction reflected the end of the Cost of Living programme in 2025.

Investment income totalled £1.2m (2024 - £1.5m), derived from dividends and interest from both investments and banks.

Expenditure on charitable activities totalled £17.8m (2024 - £24.6m), as follows:

	2025	2024
	£m	£m
Capacity Building	2.4	3.1
Blended Finance	14.6	20.9
Sharing and Mobilising	0.8	0.6
	17.8	24.6

The total includes £15.9m (2024 - £22.8m) in grants paid, of which £1.4m (2024 - £2.5m) relates to project management costs for delivering effective programmes, including expenses for partner organisations administering them on our behalf.

Capacity Building included spend of £2.0m (2024 - £2.4m) relating to the Reach Fund programme. In 2024 it also included £0.3m relating to Enterprise Development Programmes.

Blended Finance spend included grants paid as follows:

- £4.8m (2024 - £3.1m) on the Flexible Finance programme
- £3.7m (2024 - £4.8m) on Enterprise Growth for Communities programme
- £2.8m (2024 - £1.9m) on the Energy Efficiency Social Investment programme
- £0.5m (2024 - £7.8m) on the Cost of Living programme, which largely concluded in 2024.

Sharing and Mobilising consisted primarily of staff costs and external consultancy fees to help evaluate our programmes and build the broader ecosystem.

Access is a lean organisation and works through partnerships. The average number of staff remained 13.0 but we have focussed more resources on our blended finance programmes and mobilisation work.

Reserves policy and financial position

The trustees have established a reserves policy during the year to ensure that Access maintains

Trustees' report Year to 31 December 2025

sufficient unrestricted funds to support operational continuity, manage financial risks, and meet its contractual and strategic obligations.

Spend-down Endowment and transition to Unrestricted Funds

Following the utilisation of its expendable endowment in 2025, the charity's financial resilience is now underpinned by unrestricted funds. In determining the appropriate level of reserves, trustees have considered Access's forward financial projections, the timing and nature of time-limited funding streams, operational commitments, and potential wind-down and closure costs. The trustees have therefore set a target reserves range of £1.25m - £1.5m of unrestricted funds to provide flexibility to manage uncertainty while ensuring funds continue to be deployed in furtherance of the charity's charitable objectives. Reserves will be reviewed annually as part of the budgeting and risk management process.

On 31 December 2025, Access had total funds of £16.7m (2024 - £21.5m) which comprised of £9.4m (2024 - £10.2m) of unrestricted funds and £7.3m (2024 - £7.7m) of restricted funds. In 2024, it also included expendable endowment funds of £3.7m. The unrestricted funds balance of £9.4m reflects the transition following the full utilisation of the expendable endowment and ensures that Access retains sufficient financial resilience to meet its ongoing operational and programme oversight responsibilities.

Trustees have determined that holding this level of unrestricted funds is appropriate given the charity's exposure to time-limited funding streams, its multi-year contractual and monitoring commitments, and the need to cover core operating costs not met by restricted income. These funds will be applied over time in line with Access's plans, ensuring continuity of operations and delivery of the charity's strategic objectives while maintaining prudent financial stewardship. It is anticipated that reserves will reduce to within the target range over the current four-year budget cycle. This position will be reviewed annually by trustees as part of the budgeting and risk management process.

Dormant Assets Funds

Dormant Asset income is only recognised when grants are paid, therefore there were no funds relating to this at year-end (2024 - £nil). However, there was £19.0m (2024 - £15.0m) of cash recognised in deferred income awaiting use for programmatic spend. Cash is typically drawn down 12 months ahead of need from The National Lottery Community Fund, who distribute funds from the Dormant Asset Scheme to good causes.

Full details of restricted funds can be found in note 13 to the accounts together with an analysis of movements in the period.

Fundraising statement

Access does not actively solicit donations directly from the public and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. Were donations from individuals or trusts and foundations to be received, Access would ensure personal data is appropriately protected.

Trustees' report Year to 31 December 2025

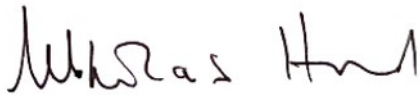
Auditors

Each of the trustees confirms that:

- ♦ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ♦ the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Nick Hurd', written in a cursive style.

Nick Hurd
Trustee

Approved by the trustees on: 30th April 2026

Independent auditor's report to the members of Access – The Foundation for Social Investment

Opinion

We have audited the financial statements of Access – The Foundation for Social Investment (the 'charitable company') for the year ended 31 December 2025 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 31 December 2025 and of its 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 charitable company 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 Year to 31 December 2025

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic 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' report including the strategic 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, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the 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.

Independent auditor's report Year to 31 December 2025

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, 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:

- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: 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), the Companies Act 2006 and the Charities Act 2011.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit, Risk and Compliance Committee.

Independent auditor's report Year to 31 December 2025

- ◆ We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process
 - Challenging assumptions and judgements made by management in its significant accounting estimates;
 - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report Year to 31 December 2025

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.

A handwritten signature in black ink that reads "Buzzacott Audit LLP".

Peter Mackereth (Senior Statutory Auditor)

For and on behalf of Buzzacott Audit LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL

Date: 30 April 2026

Statement of financial activities Year to 31 December 2025

		Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2025 Total funds £'000	<i>2024 Total funds £'000</i>
	Notes					
Income and endowments from:						
Charitable activities	1	—	11,300	—	11,300	16,730
Investments	2	505	680	—	1,185	1,519
Other income		26	—	—	26	—
Total income		531	11,980	—	12,511	18,249
Expenditure on:						
Raising funds		—	—	39	39	42
Charitable activities	3					
. Capacity Building		1,354	—	974	2,328	3,142
. Blended Finance		—	12,337	2,286	14,623	20,873
. Sharing and Mobilising		—	—	793	793	587
Total expenditure		1,354	12,337	4,092	17,783	24,644
Net income / (expenditure) before gains / (losses) on investments		(823)	(357)	(4,092)	(5,272)	(6,395)
Net gains / (losses) on investments	9	—	—	399	399	(18)
Net income / (expenditure)	4	(823)	(357)	(3,693)	(4,873)	(6,413)
Reconciliation of funds:						
Total funds brought forward	12	10,180	7,657	3,693	21,530	27,943
Total funds carried forward		9,357	7,300	—	16,657	21,530

The statement of financial activities includes all gains and losses recognised in the period.
All of the charity's activities derived from continuing operations during the above financial period.

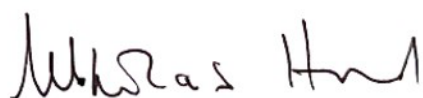
Prior year statement of financial activities Year to 31 December 2024

		Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2024 Total funds £'000
	Notes				
<i>Income and endowments from:</i>					
<i>Grants and other sources for charitable activities</i>	1	—	16,730	—	16,730
<i>Investments</i>	2	890	629	—	1,519
<i>Total income</i>		890	17,359	—	18,249
<i>Expenditure on:</i>					
<i>Raising funds</i>		—	—	42	42
<i>Charitable activities</i>	3				
. Capacity Building		—	—	3,142	3,142
. Blended Finance		—	18,526	2,347	20,873
. Sharing and Mobilising		—	—	587	587
<i>Total expenditure</i>		—	18,526	6,118	24,644
<i>Net income / (expenditure) before gains / (losses) on investments</i>		—	—	(18)	(18)
<i>Net gains / (losses) on investments</i>	9	890	(1,167)	(6,136)	(6,413)
<i>Transfers between funds</i>		(453)	864	(411)	—
<i>Net income / (expenditure)</i>	4	437	(303)	(6,547)	(6,413)
<i>Reconciliation of funds:</i>					
<i>Total funds brought forward</i>	12	9,743	7,960	10,240	27,943
<i>Total funds carried forward</i>		10,180	7,657	3,693	21,530

Balance sheet as at 31 December 2025

	Notes	2025 £'000	2025 £'000	2024 £'000	2024 £'000
Fixed assets					
Tangible assets	8		6		4
Investments	9		12,861		14,358
			12,867		14,362
Current assets					
Debtors due within one year	10	347		315	
Short-term deposits		17,136		13,248	
Cash at bank and in hand		5,378		8,997	
		22,861		22,560	
Creditors: amounts falling due within one year	11	(19,071)		(15,392)	
Net current assets			3,790		7,168
Total net assets			16,657		21,530
The funds of the charity:	12				
Endowment funds			—		3,693
Restricted funds			7,300		7,657
Unrestricted funds			9,357		10,180
			16,657		21,530

Approved by the trustees and signed on their behalf by:



Nick Hurd

Trustee

Approved by the trustees on: 30th April 2026

Access – The Foundation for Social Investment: A company limited by guarantee.

Company Registration No. 09153909 (England and Wales)

Statement of cash flows Year ended 31 December 2025

	Notes	2025 £'000	2024 £'000
Cash (used in) provided by operating activities	A	(2,806)	(24,694)
Cash provided by investing activities	B	(780)	11,439
Change in cash and cash equivalents in the year	C	(3,586)	(13,255)
Cash and cash equivalents at 1 January 2025		9,241	22,496
Cash and cash equivalents at 31 December 2025		5,655	9,241

Notes to the statement of cash flows for the year to 31 December 2025

A Reconciliation of net movement in funds to net cash provided by operating activities

	2025 £'000	2024 £'000
Net movement in funds	(4,873)	(6,413)
Depreciation charge	4	7
(Gains) / losses on investments	(399)	18
Investment income	(1,185)	(1,519)
(Increase) / decrease in debtors	(32)	(48)
Increase / (decrease) in creditors	3,679	(16,739)
Net cash provided by operating activities	(2,806)	(24,694)

B Gross cash flows from investing activities

	2025 £'000	2024 £'000
Investing activities		
Payments to acquire tangible fixed assets	(6)	—
Investment income	1,185	1,519
Purchase of investments	—	(100)
Proceeds from disposals of investments	1,929	2,774
Purchase of short-term deposits	(3,888)	7,246
Net cash provided by investing activities	(780)	11,439

Statement of cash flows Year ended 31 December 2025

C Analysis of changes in cash and cash equivalents

	1 January 2025 £'000	Cash Flows £'000	31 December 2025 £'000
Cash held by investment managers	244	33	277
Cash at bank and in hand	8,997	(3,619)	5,378
Total	9,241	(3,586)	5,655

	1 January 2024 £'000	Cash Flows £'000	31 December 2024 £'000
Cash held by investment managers	1,791	(1,547)	244
Cash at bank and in hand	20,705	(11,708)	8,997
<i>Total</i>	<i>22,496</i>	<i>(13,255)</i>	<i>9,241</i>

Principal accounting policies Year ended 31 December 2025

Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Statutory information

Access – The Foundation for Social Investment is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is at Script, 44 Featherstone Street, London, EC1Y 8RN.

Basis of preparation

These financial statements have been prepared for the year to 31 December 2025.

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), the Companies Act 2006 and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Public benefit entity

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Key judgements that the charity has made which have a significant effect on the accounts include the valuation of investment holdings, where these are unlisted.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because they consider the cash and reserves position of Access to be sufficient to support the charity for at least 12 months from the date of signing these financial statements.

Principal accounting policies Year ended 31 December 2025

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Grants from government for Capacity Building are expendable endowment funds that are restricted to such activity. Income earned on the endowment funds are treated as unrestricted, in line with our agreement.

Funds received from Dormant Accounts via the National Lottery Community Fund (NLCF) are drawn down by the charity periodically based on requests to the NLCF to support cash requirements for the subsequent period. As the funding is provided to support future activity it is initially recognised as deferred income in the balance sheet and taken to the statement of financial activities in the period in which it is spent. The income is conditional on it being used to fund expenditure in accordance with the purposes for which the grant was given. Income and expenditure are therefore shown in the restricted fund.

The grant to support the delivery of Growth Fund is considered a performance related grant on account of the service level agreement in place with the NLCF. This is included as a restricted grant on the basis that it is refundable if not applied for the purposes intended.

Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt

Interest receivable

Interest on funds held on deposit is recognised as accrued interest when the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Principal accounting policies Year ended 31 December 2025

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- a. Costs of raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and an allocation of support costs.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include grants payable, other direct costs and an allocation of support costs.
- c. Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Staff costs are apportioned to activities on the basis of staff time spent on each activity. Support costs, i.e. the cost of overall direction and administration of the charity is apportioned to charitable activities on the basis of direct costs.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Grant expenditure is recognised once a grant agreement has been approved and the recipient has met the conditions required to request payment under the agreement. In practice, this occurs when the charity receives a valid payment request from the grant recipient in accordance with the terms of the grant agreement, at which point the charity has a constructive obligation to make the payment.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised. Tangible fixed assets are capitalised and depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-----------------------------|-------------------------------|
| ♦ Computer and IT equipment | 33.3% per annum based on cost |
|-----------------------------|-------------------------------|

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities.

The fair value of fixed asset investments that do not have official exchange settlement prices, is determined by reference to third party market values on the balance sheet date, determined by independent brokers. Those holdings for which there is no active market are valued at cost less any impairment.

Principal accounting policies Year ended 31 December 2025

The charity does not acquire put options, derivatives, or other complex financial instruments.

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised. All gains (or losses) on investments are taken to the statement of financial activities as they arise. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value, or the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised investment gains and losses are credited (or debited) to the statement of financial activities in the year in which they arise.

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.

Cash at bank and in hand and short-term deposits

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than one month from the year-end date. Deposits of more than one month but less than one year are disclosed as short-term deposits.

While accounting standards generally consider cash equivalents to include highly liquid investments with maturities of up to three months, the charity applies a more restrictive definition of one month. This reflects the charity's treasury management approach, which distinguishes between operational cash available on immediate demand and surplus funds placed on short-term deposit for cash management purposes. Cash placed on deposit by our investment managers, Rathbones Group, is disclosed as a fixed asset investment.

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.

Financial instruments

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.

Fund accounting

Expendable endowment funds comprise monies which the trustees have the power to convert into income. Investment income therefore is credited to unrestricted funds and applied for general purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Pension costs

The charity operates a defined contribution pension scheme via salary sacrifice. The amounts charged represent the contributions payable to the scheme in the period.

1 Income from grants and other sources for charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000
National Lottery Community Fund	—	44	—	44
Dormant Assets	—	11,256	—	11,256
2025 Total	—	11,300	—	11,300
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total 2024 £'000</i>
<i>National Lottery Community Fund</i>	<i>—</i>	<i>58</i>	<i>—</i>	<i>58</i>
<i>Dormant Assets</i>	<i>—</i>	<i>16,672</i>	<i>—</i>	<i>16,672</i>
<i>2024 Total</i>	<i>—</i>	<i>16,730</i>	<i>—</i>	<i>16,730</i>

2 Income from investments

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000
Investment income receivable	492	—	—	492
Interest receivable	13	680	—	693
2025 Total	505	680	—	1,185
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total 2024 £'000</i>
<i>Investment income receivable</i>	<i>592</i>	<i>—</i>	<i>—</i>	<i>592</i>
<i>Interest receivable</i>	<i>298</i>	<i>629</i>	<i>—</i>	<i>927</i>
<i>2024 Total</i>	<i>890</i>	<i>629</i>	<i>—</i>	<i>1,519</i>

Notes to the accounts Year ended 31 December 2025

3 Expenditure on charitable activities

	Raising Funds £'000	Capacity Building £'000	Blended Finance £'000	Sharing and Mobilising £'000	Governance costs £'000	Support Costs £'000	2025 Total funds £'000
Grants paid	—	2,047	13,743	61	—	24	15,875
Consultancy fees and research	—	2	43	290	—	53	388
Investment Management Fees and bank charges	38	—	—	—	—	1	39
Staff costs (note 5)	—	152	419	370	—	75	1,016
Other staff costs including training and travel	—	1	2	5	—	47	55
Premises and office costs	—	2	—	6	—	99	107
HR and IT support	—	—	—	—	—	41	41
Audit and accountancy fees	—	—	—	—	29	—	29
Recruitment costs	—	—	—	—	—	32	32
Trustee costs and expenses	—	—	—	—	10	—	10
Insurance and legal	—	—	—	—	44	—	44
Marketing and website management	—	40	—	29	—	1	70
Subscriptions	—	—	1	1	—	19	21
Conferences and events	—	20	13	9	—	10	52
Depreciation	—	—	—	—	—	4	4
	38	2,264	14,221	771	83	406	17,783
Re-allocation of governance and support costs							
Governance costs	—	11	68	4	(83)	—	—
Support costs	1	53	334	18	—	(406)	—
2025 Total expenditure	39	2,328	14,623	793	—	—	17,783

Notes to the accounts Year ended 31 December 2025

	<i>Raising Funds £'000</i>	<i>Capacity Building £'000</i>	<i>Blended Finance £'000</i>	<i>Sharing and Mobilising £'000</i>	<i>Governance costs £'000</i>	<i>Support Costs £'000</i>	<i>2024 Total funds £'000</i>
<i>Grants paid</i>	—	2,819	19,979	37	—	1	22,836
<i>Consultancy fees & research</i>	—	39	165	188	—	38	430
<i>Investment Management Fees and bank charges</i>	41	—	—	—	—	2	43
<i>Staff costs (note 5)</i>	—	160	391	302	—	59	912
<i>Other staff costs including training and travel</i>	—	6	—	—	—	47	53
<i>Premises and office costs</i>	—	—	—	—	—	86	86
<i>HR and IT support</i>	—	—	—	—	—	38	38
<i>Audit and accountancy fees</i>	—	—	—	—	24	—	24
<i>Recruitment costs</i>	—	—	—	—	—	25	25
<i>Trustee costs and expenses</i>	—	—	—	—	9	—	9
<i>Insurance and legal</i>	—	—	—	—	17	—	17
<i>Marketing and website management</i>	—	65	2	49	—	1	117
<i>Subscriptions</i>	—	—	—	—	—	21	21
<i>Conferences and events</i>	—	5	13	2	—	6	26
<i>Depreciation</i>	—	—	—	—	—	7	7
	<u>41</u>	<u>3,094</u>	<u>20,550</u>	<u>578</u>	<u>50</u>	<u>331</u>	<u>24,644</u>
<i>Re-allocation of governance and support costs</i>							
<i>Governance costs</i>	—	6	43	1	(50)	—	—
<i>Support costs</i>	1	42	280	8	—	(331)	—
<i>2024 Total expenditure</i>	<u>42</u>	<u>3,142</u>	<u>20,873</u>	<u>587</u>	<u>—</u>	<u>—</u>	<u>24,644</u>

3 Expenditure on charitable activities (continued)

Grants paid include project management costs of £1.4m (2024: £2.5m) which relate to the functioning of robust and effective programmes and include the costs of partner organisations administering the programmes on our behalf.

Capacity Building:

Capacity building comprises work involving the consultation, design, implementation, funding, monitoring and evaluating of grant-based programmes to build the capacity of charities and social enterprises, in particular when delivered separately from the provision of repayable finance. This support helps charities and social enterprises to earn more of their own income and specifically develop business models which can be further supported through utilising social investment. This will help organisations become robust, competitive and sustainable by helping them to participate in the social investment market and become better-equipped to be investment-ready and secure new forms of investment. In 2025 this charitable activity largely comprised the Reach Fund.

Blended Finance:

Access manages and funds a wide portfolio of blended finance programmes which are at various stages of maturity. These programmes bridge the gap between charities and social enterprises on one side and social investors on the other.

Access's funds help social investment providers to be able to make smaller scale, unsecured, patient and flexible loans and other investments in community-based charities and social enterprises by making grants available to derisk loan fund structures for senior lenders, social investment providers, and for the borrowers. This charitable purpose also includes grants provided to support the development of enterprise models when delivered in programmes which combine repayable finance, such as our Local Access programme. Finance to directly support the resilience of social investment providers is also categorised under this charitable purpose.

Blended finance is funded through both restricted and unrestricted funds. Those funded via restricted funds are:

- ◆ The Growth Fund: a wholesale finance facility for social investors operated by Access, with finance from Better Society Capital and the National Lottery Community Fund. The programme was fully committed by the end of 2022 and is now in portfolio management.
- ◆ Local Access: comprises £10m of Dormant Assets received in 2018 to blend with c.£15m of Better Society Capital funds to grow local social economies in six places in England.
- ◆ Dormant Asset: Access has been allocated £73m in Dormant Assets since 2020 to develop and run a range of blended finance programmes supporting access to finance for charities and social enterprises. These include the Flexible Finance programme, Enterprise Growth for Communities, the Cost of Living Social Investment programme and the Energy Efficiency Social Investment Programme.

Sharing and Mobilising:

These activities enable Access to learn from our programmes and our work, listen to the changing investment needs of the sector in order to influence our future work and that of others who support charities and social enterprises, share this insight with the wider ecosystem, and actively build partnerships which seek to drive more resources towards supporting the financing needs of smaller community based charities and social enterprises.

Notes to the accounts Year ended 31 December 2025

4 Net income / (expenditure)

This is stated after charging:

	2025 £'000	2024 £'000
Auditor's remuneration		
. Statutory audit assurance	20	20
. Taxation	1	—
Depreciation	4	7

5 Employee and key management remuneration

Staff costs

Staff costs during the period were as follows:

	2025 £'000	2024 £'000
Wages and salaries	794	729
Social security costs	106	84
Pension costs	116	99
	1,016	912

Staff numbers

The average number of employees during the period, was as follows:

	2025 Number	2024 Number
Charitable activities		
. Capacity Building	1.8	2.5
. Blended Finance	5.4	5.5
. Sharing and Mobilising	4.9	3.9
Support costs	0.9	1.1
	13.0	13.0

Higher paid employees

The number of employees earning more than £60,000 (including taxable benefits but excluding employer pension contributions and employer's national insurance contributions) on an **annualised basis** are as follows:

	2025 Number	2024 Number
£60,001 - £70,000	2	1
£70,001 - £80,000	1	—
£80,001 - £90,000	—	1
£90,001 - £100,000	1	—
£100,001 - £110,000	—	1
£110,001 - £120,000	1	—

The Chief Executive received actual salary of £118k (2024 - £107k) in the financial year.

Notes to the accounts Year ended 31 December 2025

Key management personnel

Key management personnel comprise the trustees, the Chief Executive and the Senior Leadership Team.

The total cost of employment of the key management personnel of the charity was £537,111 (2024 - £425,233) and includes pension contributions and employer's national insurance contributions.

6 Insurance

The charity has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £19,224 (2024 - £17,462) and provides cover of up to a maximum of £2m for professional indemnity insurance and up to £5m for directors and officers liability.

7 Taxation

Access is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Tangible fixed assets

	Plant, vehicles & IT equipment £'000	Total £'000
Cost or valuation		
At 31 December 2024	7	7
Additions	6	6
Disposals	—	—
At 31 December 2025	13	13
Depreciation		
At 31 December 2024	3	3
Charge for period	4	4
Disposals	—	—
At 31 December 2025	7	7
Net book values		
At 31 December 2024	4	4
At 31 December 2025	6	6

9 Investments

	2025 £'000	2024 £'000
Market value of listed investments at 31 December 2024	13,114	15,907
Proceeds from disposals	(1,929)	(2,775)
Net investment gains / (losses)	399	(18)
Market value of listed investments at 31 December 2025	11,584	13,114
Value of unlisted investments	1,000	1,000
Cash held by investment managers	277	244
	12,861	14,358
Cost of investments at 31 December 2025	12,146	14,542

Investments held a 31 December 2025 comprised the following:

	2025 £'000	2024 £'000
UK fixed interest	11,584	13,114
UK equity	—	—

At 31 December 2025 investments included the following holdings, which represented material holdings relative to the market value of the total investment portfolio held at that date:

	2025 Market value of holding £'000	2025 Percentage of portfolio
London & Quadrant Housing	1,899	16.4%
Aegon Ethical Corporate Bond B	1,414	12.2%
Edentree Inv Mgmt	1,329	11.5%
Blue Orchard Investment Mgrs	1,393	12.0%
Places for People (2.875% Snr)	1,001	8.6%
Royal London Ethical Bond Fund	991	8.6%
Aberdeen Standard OEICV-ASI	934	8.1%
Greensleeves Homes Trust (4.25% Bonds)	867	7.5%
Motability Operations Group (3.75% Bond)	848	7.3%

	2024 Market value of holding £'000	2024 Percentage of portfolio
London & Quadrant Housing	1,851	14.1%
Aegon Ethical Corporate Bond B	1,368	10.4%
Edentree Inv Mgmt	1,290	9.8%
Blue Orchard Investment Mgrs	1,311	10.0%
Hightown Praetorian	1,145	8.7%
Places for People (2.875% Snr)	974	7.4%
Royal London Ethical Bond Fund	955	7.3%
Aberdeen Standard OEICV-ASI	909	6.9%
Greensleeves Homes Trust (4.25% Bonds)	837	6.4%
Motability Operations Group (3.75% Bond)	836	6.4%

Notes to the accounts Year ended 31 December 2025

10 Debtors

	2025	2024
	£'000	£'000
Due within one year		
Trade debtors	12	—
Accrued income	58	54
Prepayments	277	261
	347	315

11 Creditors: amounts falling due within one year

	2025	2024
	£'000	£'000
Trade creditors	219	182
Accruals	155	257
Deferred income	18,697	14,953
	19,071	15,392

The movement in deferred income was as follows:

	2025	2024
	£'000	£'000
Deferred income brought forward	14,953	31,625
Amounts released in the year	(11,256)	(16,672)
Amounts deferred in the year	15,000	—
Deferred income carried forward	18,697	14,953

The movement in deferred income relates to distributions from the Dormant Asset Fund, in line with the accounting policy. All the deferred income balance on 31 December 2025, had been committed by the charity.

12 Movement in Funds Note

	At 1 Jan 2025 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 December 2025 £'000
Unrestricted Funds					
General funds	10,180	531	(1,354)	—	9,357
Restricted Funds					
Local Access	7,657	253	(610)	—	7,300
Dormant Assets	—	11,683	(11,683)	—	—
National Lottery Community Fund	—	44	(44)	—	—
Endowment Funds	3,693	—	(4,092)	399	—
Total funds	21,530	12,511	(17,783)	399	16,657

12 Movement in Funds Note continued

	At 1 Jan 2024 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 December 2024 £'000
<i>Unrestricted Funds</i>					
<i>General funds</i>	9,743	890	—	(453)	10,180
<i>Restricted Funds</i>					
<i>Local Access</i>	7,960	207	(675)	165	7,657
<i>Dormant Assets</i>	—	17,094	(17,793)	699	—
<i>National Lottery Community Fund</i>	—	58	(58)	—	—
<i>Endowment Funds</i>	10,240		(6,118)	(429)	3,693
<i>Total funds</i>	27,943	18,249	(24,644)	(18)	21,530

The specific purposes for which the funds are to be applied are as follows:

Restricted funds

Local Access

The Local Access fund arose from the receipt of £10m of in 2018 from The Dormant Assets Scheme via the Oversight Trust, which was recognised in full in that year within restricted funds. The fund represents part of the activities of the Place Based Blended Finance programme, known as Local Access relating to the provision of repayable finance.

Dormant Assets

The Dormant Assets fund arose from the allocation of £30m in 2020, £20m in 2022 and £23m in 2023 to grow our blended finance work across multiple programmes. Income is recognised in line with expenditure, as per our accounting policy and therefore as of 31 December 2025, £19m of the £73m is recognised as deferred income.

Funds received from the Dormant Assets Scheme via the National Lottery Community Fund are drawn down by the charity periodically based on cash requirements for the subsequent period. As the funding is provided to support future activity, it is initially recognised as deferred income in the balance sheet and then recognised as expenditure in the statement of financial activities in the period in which it is incurred. The income is conditional on it being used to fund expenditure furthering the social purposes or for the purpose of helping charities and social enterprises. Income and expenditure are therefore shown in the restricted fund.

National Lottery Community Fund

This is funding for the administration and servicing of the Growth Fund. This includes the portfolio management of Growth Fund investees, provision of support and guidance to social investors including fostering a community of investees and promotion of awareness of the Programme.

Endowment funds

Between 2015 and 2020, the Department for Digital, Culture, Media and Sport provided Access with an expendable endowment to support its charitable activities and contribute to running costs. The funds were invested to generate a financial return, which was applied to support Access's objectives and recognised as unrestricted income each year. Expenditure, and any gains or losses on the endowment, were recognised within the endowment fund. The endowment was fully spent in 2025.

Transfers between funds

During 2024 Access reviewed its historical treatment of its funds. This resulted in transfers between funds, to ensure consistent treatment across the years. There were no transfers in 2025.

13 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2025 £'000
Fund balances at 31 December 2025 are represented by:				
Tangible fixed assets	6	—	—	6
Investments	9,351	3,510	—	12,861
Net current assets	—	3,790	—	3,790
Total net assets	9,357	7,300	—	16,657
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total 2024 £'000</i>
<i>Fund balances at 31 December 2024 are represented by:</i>				
<i>Tangible fixed assets</i>	<i>4</i>	<i>—</i>	<i>—</i>	<i>4</i>
<i>Investments</i>	<i>10,665</i>	<i>—</i>	<i>3,693</i>	<i>14,358</i>
<i>Net current assets</i>	<i>(489)</i>	<i>7,657</i>	<i>—</i>	<i>7,168</i>
<i>Total net assets</i>	<i>10,180</i>	<i>7,657</i>	<i>3,693</i>	<i>21,530</i>

14 Ultimate parent undertaking

The Oversight Trust a company incorporated in the UK with registration no. 07611016, is considered to be the ultimate parent undertaking of the charity.

Access – The Foundation for Social Investment is a charity and company limited by guarantee, with one legal member, The Oversight Trust which is also the majority shareholder of Better Society Capital, and sole legal member of Fair for All Finance and Youth Futures Foundation.

In the event of the charity being wound up The Oversight Trust would be required to contribute an amount not exceeding £1.

15 Related party transactions

The Chair of Trustees, Nick Hurd, received remuneration of £6,000 during the year (2024: £6,000) in recognition of the breadth of responsibilities of the role. This payment is permitted under the charity's governing document and has been authorised by the Charity Commission for England and Wales. No other trustees received remuneration for their services as trustees during the year.

During the period £3,986 (2024 - £2,702) was reimbursed and paid on behalf of trustee expenses relating to travel and subsistence to the annual board and staff away day costs to ten (2024 - ten) trustees.

Access leases office space from Better Society Capital, whose majority shareholder is The Oversight Trust. Rent is paid under an operating lease at a rate of £7,900 per month (2024: £6,533 per month) and this lease can be cancelled with one month's notice.

Access also paid £2,767 to Better Society Capital in relation to joint initiatives, including a joint Parliamentary reception and consultancy.

During the year, Franz Ranero has provided pro-bono services to the amount of £20,000 in respect of legal advice. This has been recognised in the year as a donation of services and also as expenditure, in line with the accounting policy.

Other than those transactions described above, there were no other related party transactions during the period (2024 - none). There were no other donations from trustees in the year (2024 - none).

16 Financial instruments

	2025 £'000	2024 £'000
Financial assets		
Financial assets measured at fair value through profit or loss	11,584	13,114
Financial assets measured at cost less impairment	23,861	23,543
	35,445	36,657
Financial liabilities		
Financial liabilities measured at amortised cost	(374)	(439)

Financial assets measured at fair value through profit or loss comprise the majority of investments and cash at bank and in hand.

Financial assets measured at cost less impairment comprise investments which are not traded in an active market.

Financial liabilities measured at amortised cost comprise trade creditors, money held as agent and accruals.

Notes to the accounts Year ended 31 December 2025

Risks faced by financial instruments which are investments are that of volatility in fixed income markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in market sentiment within particular sectors or sub sectors.

Risks faced by financial instruments that are debt instruments and financial liabilities include counterparty risk.

17 Post-balance sheet events

There are no post balance sheet events to report.

ACCESS - THE FOUNDATION FOR SOCIAL INVESTMENT

England & Wales - Charity number 1159699

Accounts



Access – The Foundation for Social Investment

Annual Report and Accounts

31 December 2024

Charity Registration Number 1159699
Company Registration Number 09153909

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Reference and administrative details of the charity its trustees and advisers

Trustees	Nick Hurd (Chair) Emilie Goodall Franz Ranero Heather Hilburn Kate Kuper Jane Ide Martin Rich (Senior Independent Trustee) Robert Williamson Susan Cooper Samantha Latouche (to 19 April 2025)
Senior leadership team	
Chief Executive Officer	Seb Elsworth
Director of Programmes	Neil Berry
Director of Partnerships and Advocacy	Chloe Stables
Director of Finance and Operations	Melinda Palmer (from 29 July 2024)
Director of Finance and Operations (job share)	Chris Coghlan (to 4 July 2024) Simon Cottee (to 31 Aug 2024)
Registered office	Script 44 Featherstone Street London EC1Y 8RN
Website	access-socialinvestment.org.uk
E-mail	info@access-si.org.uk
Charity registration number	1159699
Company registration number	09153909

Reference and administrative details of the charity its trustees and advisers

Auditor Buzzacott Audit LLP
130 Wood Street
London
EC2V 6DL

Investment advisers Rathbones Group Plc
30 Gresham Street
London
EC2V 7QN

Bankers Triodos Bank UK Limited
Deanery Road
Bristol
BS1 5AS

The Charity Bank Limited
Fosse House
182 High Street
Tonbridge
TN9 1BE

Reliance Bank Limited,
Faith House,
23 - 24 Lovat Lane, London,
EC3R 8EB

Unity Trust Bank
Four Brindleyplace,
Birmingham,
B1 2JB

Trustees' report Year to 31 December 2024

The trustees present their statutory report together with the accounts of Access – The Foundation for Social Investment (Access) for the year ended 31 December 2024.

The trustees' report has been prepared in accordance with part 8 of the Charities Act 2011 but also comprises a directors' report and a strategic report for the purpose of company legislation. The accounts have been prepared in accordance with the principal accounting policies set out therein and comply with the charitable company's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

Strategic report

Introduction

We are Access – The Foundation for Social Investment

We want to see a social investment eco-system that works for all charities and social enterprises, supporting them to meet the evolving needs of communities across the country. We work to make sure that charities and social enterprises can access the finance they need to sustain or grow their impact.

Through our programmes and our advocacy work, we are building the capacity of the social investment ecosystem to provide blended finance and boosting the resilience of charities and social enterprises through growing enterprise.

Designed to 'disrupt' the existing social investment market and widen its reach into places and communities that were previously excluded, we target those most in need of patient and flexible investment through:

- ◆ Funding blended finance and enterprise development programmes in England.
- ◆ Sharing knowledge and data and translating it into practical insight that others can use.
- ◆ Mobilising others who share our goal of making capital work for communities.

Access was created in 2015, following a realisation that sustained efforts to grow the social investment market had not resulted in meeting the needs of many charities and social enterprises.

Typically, the type of finance that is suitable for most charities and social enterprises has not been readily available either because there was too much risk, or the size of investment was too small.

Equally, support for charities and social enterprises to grow their enterprise models and access investment was patchy, under-resourced, under-developed and uncoordinated. And so, Access was created to grow the reach of social investment.

Trustees' report Year to 31 December 2024

Our funding has focused on two strategic themes since our inception:

- ◆ **Demonstrating the value of blended finance** - By combining grants with repayable finance into a blended package, we enable intermediaries to provide smaller scale, higher risk, more patient and flexible, and affordable finance that meets the needs of a broad range of charities and social enterprises, particularly smaller organisations or those working in disadvantaged areas.
- ◆ **Championing enterprise development** - By supporting charities and social enterprises to develop enterprise models, we help organisations to find a more secure financial footing and build a more sustainable and resilient sector, better placed to meet the evolving needs of communities.

Our impact lies not just in the programmes we fund, but in our influence over the broader social investment ecosystem. Increasingly our focus is on sharing the learning we have generated, and mobilising action with a range of partners including social investors, foundations, and infrastructure bodies.

In our operating model, we seek to maximise opportunities to generate impact. Most significantly, we are investing our expendable endowment and any other funds received, to achieve positive social impact with a financial return that helps to fund our grant-making, thereby increasing the total impact made by the endowment over its lifetime.

When reviewing the aims and activities of the charity and the provision of public benefit, the trustees have had regard to the general guidance provided by the Charity Commission. The trustees believe that the aims of the charity set out above are demonstrably for the public benefit.

Summary of 2024 achievements

- *Continued flow of Dormant Assets to charities and social enterprises*
- *Substantial completion of our cost-of-living programme, with £10.5m of grants and loans deployed within the year*
- *Commitment of £12m into support packages for energy efficiency*
- *Enabling deployment of £8.7 million in smaller scale, unsecured finance*
- *Facilitating the investment of £8.8m in patient and flexible capital*
- *Deepening knowledge of place-based investment in six areas across England*
- *Sharing insights on enterprise*
- *Continued focus on building a market fit for the future*
- *Growing the Blended Finance Community of Practice*
- *Driving philanthropic impact through Enterprise Grant making*
- *Delivering social and environment impact and a 17% return through our endowment*
- *Deepening our commitments to equity, diversity and inclusion*
- *Refining our strategic focus for 2025 and beyond*

Review of performance and achievement

Amidst ongoing economic challenges, charities, social enterprises and community groups lack the capacity they need to step up their work at the scale required. With real-terms spending reductions in the public sector and the continued squeeze on household incomes, many charities and social enterprises are looking to find new ways of managing rising costs and growing demand for their services.

In this context, Access continues to focus on building resilient organisations that can address the evolving needs of communities and navigate the challenges of 2024. With the ongoing cost-of-living crisis, a general election, and economic uncertainty we remain committed to ensuring that charities and social enterprises have the financial tools, support, and infrastructure they need to adapt, sustain their impact, and drive long-term change.

Patient and flexible forms of social investment enable charities and social enterprises to diversify their income streams and increase their resilience. This ensures these vital organisations are more financially independent and better able to plan for the future, so they can handle unexpected events and take advantage of opportunities.

Since its inception, Access has now supported over 3,200 charities and social enterprises, deploying over £57 million in grant. By the end of December 2024, this had unlocked over £150 million of investment (this amount will increase as more funds are deployed).

➤ *Continued flow of Dormant Assets to charities and social enterprises*

To date, Access has been allocated £83 million from the Dormant Asset Scheme and committed over £80 million into funds and programmes that support charities and frontline social enterprises. By September 2024, this enabled 1,448 (2023 – 936) investments to 1,056 (2023 – 725) grassroots charities and social enterprises. Almost a third (32%) of the dormant-asset funded investments were delivered to charities and social enterprises in the 10% most deprived regions ([as measured by the indices of deprivation \(IMD\)](#)).

In 2024, we worked closely with the Department for Digital, Culture, Media and Sport (DCMS) to develop detailed plans for the next allocation of Dormant Assets, following re-confirmation that Social Investment Wholesalers would continue to be a cause which could receive Dormant Asset funding in England. We look forward to further progress during 2025 as DCMS work towards the publication of a Dormant Assets strategy that will set the policy framework for future spending under the scheme.

Programme design and delivery

- ***Substantial completion of our cost-of-living programme, with £10.5m of grants and loans deployed within the year***

Following a new commitment from Dormant Assets, our £11 million Cost of Living programme launched in Autumn 2023 and continued its swift deployment through 2024.

The programme targets charities and social enterprises using trading models to support those hardest hit by the cost-of-living crisis.

Given the urgent nature of the funding, 10 out of 12 programme partners completed their deployments in 2024, with £7.3 million of Access grants distributed. In total, £12.5 million of investment has reached charities and social enterprises. The remaining two partners are implementing distinct models, and as agreed at the outset, will deploy £2.7 million of Access grants on different timelines to suit their delivery approaches.

To date, 77% of funding has been allocated to Charities and Social Enterprises based in or delivering services to the 30% most deprived areas, as identified by the IMD. The primary focus areas have been food support (30% of awards) and mental health services (16%), with nearly 25% of awards categorised as 'other', reflecting the multi-faceted nature of many Charities and Social Enterprises, which address overlapping needs such as food, shelter, mental health, and debt advice.

- ***Commitment of £12m into support packages for energy efficiency***

In late 2023, we launched a £20 million fund (£12 million from Access plus £8 million co-investment from Better Society Capital) aimed at bolstering the energy resilience of charities and social enterprises by helping them to reduce energy costs, improve energy efficiency, and promote a just transition towards a greener future. This meant directly supporting energy efficiency measures and other non-financial barriers (such as lack of data and the need to navigate a complex web of suppliers). The programme began making investments via multiple partners during 2024 and by the end of the year 17 organisations had received more than £1.5m to improve the energy performance of their buildings.

- ***Enabling deployment of £8.7 million in smaller scale, unsecured finance***

Our Enterprise Growth for Communities programme continues to broaden the availability of social investment to smaller organisations, particularly those in disadvantaged areas. Evidence shows that charities and social enterprises typically seek smaller, unsecured finance options. This programme provides the right type of finance for a wide range of organisations, especially smaller ones based in underserved areas and led by more diverse groups.

The fund aims to leverage £20 million of Dormant Assets funding to deliver over £60 million to charities and social enterprises through co-investment and recycling. With five funds now deploying, the programme has made 148 investments, delivering £12.8 million (an average investment of £86,000).

➤ ***Facilitating the investment of £8.8m in patient and flexible capital***

Flexible Finance is Access's £22 million programme, funded by the Dormant Asset Scheme, dedicated to closing the gap in patient and flexible social investment products for charities and social enterprises. Launched in 2021, the programme focuses on creating a more inclusive financing ecosystem, specifically targeting underserved markets, including those from marginalised or Black and minoritised communities.

By working closely with social investment partners, the programme supports business models that require longer timelines to generate the returns investors seek, while also attracting capital providers with varying risk appetites to blend with our grant subsidy.

As of December 2024, the programme has seen 8 funds deploy £21 million in 135 investments. A key initiative within the programme is the Lending Equal Access Programme (LEAP), launched by Charity Bank. This fund, a significant departure from their main lending portfolio, addresses the demand for flexible social funding, particularly among diverse-led enterprises. The LEAP fund supports a wide range of needs, from purchasing new equipment to acquiring buildings, allowing Charity Bank to expand its offering and support more impact-driven organisations.

To date, Flexible Finance has delivered £7 million to Black and minoritised-led organisations, representing one-third of its total £21 million investment. This represents a much higher proportion of total programme investment flowing to these communities—over four times the percentage of total investment seen in other Access programmes.

➤ ***Deepening knowledge of place-based investment in six areas across England***

Our "Local Access" programme also continued to evolve in six places across England (Bristol, Bradford, Gainsborough, Greater Manchester, Southwark and Redcar/Cleveland/Hartlepool), where local partnerships are seeking to develop their local social economy. The programme hopes to demonstrate how a combination of enterprise support and blended social investment can help to achieve a step change in a local social economy. Using a £10 million investment from Dormant Assets, the programme is trialling new approaches and products to spark social enterprise and investment where this hasn't traditionally been developed and target underserved communities such as Black and Minoritised communities-led social enterprises. The programme is a partnership between Access and Better Society Capital, with approximately £33 million of funding consisting of both Access grant and BSC investment capital. The programme has the potential to deliver long-term systemic change, and we hope that the programme will deliver in time a better understanding of what works to strengthen the social economy in a place. By the end of 2024, a total of 2,828 enterprise support interventions were carried out to develop social enterprises and their investment readiness across the Local Access places.

➤ ***Sharing insights on enterprise***

Our Enterprise Development Programme has supported charities and social enterprises to think creatively, become more financially resilient and develop enterprise models across six sectors including Black and Minoritised communities, the environment sector, equality, homelessness, mental health and the youth sector. In total, 325 organisations have been supported since 2018 through the six sectors, receiving a total of £8m in grants.

As the programme draws towards a close, we initiated the evaluation phase by commissioning an external evaluator to help us understand the overall impact of the programme on the organisations and sectors supported and learn lessons about the design of future enterprise development initiatives. We have also shared more details about the enterprise models which were supported through the programme to support broader capacity building in the sector.

➤ ***Continued focus on building a market fit for the future***

Access's partners are central to everything we do - our success hinges on working with others to accelerate change and build the social investment ecosystem the sector needs.

The Connect Fund, a partnership between Access and the Barrow Cadbury Trust, provided support to organisations delivering services for charities and social enterprises seeking social investment. It was a £6 million fund for grants and occasionally social investment to build better infrastructure for the social investment landscape in England, particularly for new entrants and markets. With a particular focus on catalysing new networks, products and support from social investment intermediaries, the Connect Fund looked to support key elements of infrastructure as it enters its final phase. Key to this has been support for projects that support equity, diversity and inclusion such as the Diversity Forum and the Equality Impact Investing Project.

The Connect Fund has deployed £5.28 million via 137 grants to 88 organisations. Through the programme's various initiatives, we have seen how collaboration, knowledge-sharing, and a focus on inclusivity can drive positive change. In 2024, the Connect Fund concluded – with a large-scale reflection event bringing together partners and stakeholders and development of a learning report capturing the impact of the programme, highlighting some of the challenges and exploring some of the success stories.

➤ ***Deepening knowledge Influencing the external environment***

Our work in sharing learning and mobilising partners has focussed largely on future supply of grant subsidy throughout 2024. Much of our focus has been on the allocations from the expanded Dormant Asset Scheme. In November 2024, the Government reconfirmed their intention to split approximately £350 million across the four causes (social investment, youth, financial inclusion and community wealth funds).

As part of this we continued to coordinate the Community Enterprise Growth Plan campaign and work alongside key partners to make the case for social investment continuing as a recipient cause of Dormant Assets.

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The campaign has support from a broad coalition including key players in the voluntary sector such as National Council for Voluntary Organisations, Association of Chief Executives of Voluntary Organisations, Association of Charitable Foundations, Charity Finance Group and National Association for Voluntary Community Action, funders such as Esmée Fairbairn, the Barrow Cadbury Trust and the Plunkett Foundation as well as business groups such as the British Chambers of Commerce, the Institute of Directors, and the Federation of Small Businesses.

Alongside our partners, we have continued to highlight the impact of social investment and social enterprise on the local economy, the social impact of the organisations we support and the leverage secured from private and philanthropic funders – increasing the impact of the Dormant Asset Scheme overall, and through recycling of funds, enabling funds to 'do good' many times over.

➤ ***Growing the Blended Finance Community of Practice***

In 2024, the Blended Finance Community of Practice went from strength to strength, with the launch of a community knowledge hub, a dedicated investor engagement workstream and several well-attended events including a two-day conference in April.

The community is run by and for blended finance practitioners working in the UK and internationally. It is led by a steering group comprised of Access, Better Society Capital, and Save the Children, with advisory input from the European Bank for Reconstruction and Development, and the Global Impact Investing Network.

➤ ***Driving philanthropic impact through Enterprise Grant making***

The Enterprise Grants Taskforce is a group of funders and foundations committed to exploring how enterprise grants can be better utilised to boost enterprise in the voluntary sector. Led by a steering group that includes the School of Social Entrepreneurs, the Association of Charitable Foundations and Access, the task force will look at best practice and efforts to scale the approach.

➤ ***Delivering social and environment impact and a 17% return through our endowment***

In late 2024 Access published an expanded version of its yearly Endowment Impact Report – setting out in more detail our 'Total Impact' approach and demonstrating how we have been able to deliver social and environmental impact while still achieving a financial return.

53% of Access's endowment is invested in organisations delivering social impact, including 35% that is directly invested in UK charities and social enterprises. The remainder is invested in organisations which have best-in-class ESG indicators. Despite wider economic challenges, the Access portfolio managed by Rathbones has outperformed market benchmarks, achieving a total weighted return (after fees) of 17.18% to date (2023 – 12.73%).

In the autumn, Access co-hosted a well-attended conference, with Eiris Foundation and Friends Provident Foundation entitled 'Utilising whole endowments for mission' and we continue to work with key stakeholders in this space to explore co-ordinated action.

➤ ***Deepening our commitments to equity, diversity and inclusion***

In 2024, Access updated its progress against commitments in our equity, diversity and inclusion policy and action plan. We published a diversity audit covering the composition of the board, investment committee and staff team, and a review of pay gaps was undertaken internally by an HR professional.

➤ ***Refining our strategic focus for 2025 and beyond***

During 2024, we began to revisit and refresh our existing strategy. As we approached the end of our 2022-2025 strategy and as we understood more about the parameters of the funding environment, such as the expected commitment from Dormant Assets across 2024-28, it was the right time to pause and reflect on our strategic priorities to ensure we are delivering against our mission in the best possible way.

This refreshed [strategy](#) retains a focus on the role of Access in the broader ecosystem rather than simply the impact of our programmes, and the measures of success include the securing of long-term sources of subsidy for blended finance.

In 2024, Access's Board of Trustees refreshed our strategic framework, strengthening our approach to delivering finance where it's needed most. A key shift is breaking down silos between our funding streams—particularly aligning enterprise development with blended finance—so that organisations can access support in a more connected and effective way.

In addition, we are placing more emphasis on leveraging other funding alongside our own, ensuring that every pound we invest has the greatest possible impact. We remain focused on enhancing the resilience of our delivery partners, and plan to provide more targeted support for infrastructure projects that address the key challenges outlined in our strategy.

Our advocacy efforts will focus on areas where we can drive significant change. This includes building awareness of blended finance, encouraging foundations to consider how they support enterprise activity, and advancing mission-aligned investments to unlock more capital for social purpose.

Governance, structure and management

Governance

The names of the trustees who served during the period are set out as part of the reference and administrative details on page one of this annual report and accounts. Brief biographical details of each of the current trustees can be found on our [website](#).

The trustees are committed to ensuring that the Board has the combination of skills necessary to support the effective provision of access to capital to charities and social enterprises.

In particular, the Board of Trustees includes skills and expertise in the following areas: social investment, community regeneration and social enterprise, business, and financial and risk management.

The Board has fully adopted the Charity Governance Code and ensures compliance through regular review. The Board of Trustees reviews its own performance regularly and acts on any feedback received as a result of the evaluation process.

An independent review of governance took place in early 2023, which concluded that the Board is highly effective and demonstrates a rigorous and congruent approach to governance and leadership. Access has implemented all of the recommendations in the independent review.

Key management personnel

The key management personnel of Access comprise the trustees, the Chief Executive and senior leadership team. Remuneration is overseen by the Audit, Risk and Compliance Committee (ARCC). In order to ensure that the remuneration policy reflects the charitable sector that it serves, Access staff receive no more than an annual inflationary increase, subject to affordability and in line with relevant benchmarks and reflective of the conditions in the social sector. An exception will be made if a role has materially changed or the market rate has increased (as confirmed by external benchmarking), in which case a pay increase beyond the rate of inflation may be considered.

Statement of trustees' responsibilities

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and 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 income and expenditure of the charity 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 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);
- ◆ make judgements and estimates that are reasonable and prudent;

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- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the accounts on the 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 accounts 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.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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.

Structure and management reporting

Access is a charity and company limited by guarantee, with one legal member, the Oversight Trust. The Oversight Trust is also the majority shareholder of Better Society Capital, and the sole legal member of Fair4All Finance and the Youth Futures Foundation. As the sole legal member, the Oversight Trust agrees to contribute £1 in the event of the charity winding up.

Access is governed by the Board of Trustees. The Board of Trustees has six scheduled meetings a year, including an annual strategic away day. Other meetings are called as required. The trustees delegate the day-to-day management of Access to the Executive team.

The Audit, Risk and Compliance Committee (ARCC) is one of two formal subcommittees of the Board, comprising four trustees. The ARCC is responsible for the relationship with the auditors, ensuring the integrity of Access' accounting and financial practices, examining and reviewing all systems and methods of control including financial and risk management, all HR matters and policies and ensuring that Access complies with all aspects of the law, relevant regulation and good practice. The ARCC has four scheduled meetings a year and other meetings are called as required.

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The Endowment Investment Committee (EIC) comprises two trustees and two external members. The EIC is responsible for the relationship with our investment managers (Rathbones), and its role is to monitor both the social impact and financial performance of the social investments that are being managed on Access' behalf by Rathbones from the endowment funds provided by DCMS and the treasury management of the dormant account funds. The EIC has four scheduled meetings a year and other meetings are called as required.

Risk management

To ensure that risks are managed and mitigated, a risk register is in place, which enables Access to identify and evaluate both strategic and operational risks, and the actions needed to mitigate these risks, taking into account existing and proposed controls. The ARCC reviews the risk register on a quarterly basis.

The key strategic risks which the organisation is currently managing relate to the longer-term legacy of Access and to the need to ensure that, in order to achieve its mission, the Foundation is influencing the broader social investment ecosystem so that key aspects of its work can continue once the organisation closes, or further resources can be made available for the organisation's work to continue. The refreshed strategy and the renewed focus on learning and advocacy work are a key mitigants. A major focus of the organisation's work in the year ahead will be securing further resources from dormant assets for blended finance.

The ARCC reviews risks relating to specific programmes, and their ongoing impact on the organisation's work.

Grant making policy

Access is able to award grants in a variety of ways, namely via the blended finance programmes, Capacity Building programmes or for research work as part of the sharing and mobilising objectives. In awarding grants, we apply the following principles:

- ◆ The ultimate objective of the grant should be to increase access to finance for charities and social organisations and/or to support the growth of the social investment market.
- ◆ The grant may be used by recipients to fund or support charities and social organisations directly or to enable other intermediaries to provide appropriate funding or support to such charities or social organisations.
- ◆ The applicant will need to evidence the use of grant in increasing the efficiency and effectiveness of charities and social organisations.

We do not consider applications for any activities which are outside the Access's objects; any activities which are not considered charitable in accordance with the laws of England and Wales; any political or commercial appeals; or any activities from which a trustee or anyone related to a trustee would benefit.

Trustees' report Year to 31 December 2024

Applications must be submitted in accordance with our stated programme areas and will be subject to due diligence and a multi-stage decision making process. Grant recipients will be subject to monitoring, feedback requirements and evaluation. The terms of such monitoring and evaluation will vary depending on the type of funding and the programme area funded and details will be set out in the agreement between the recipient and Access.

Investments and Treasury

Endowment

The Capacity Building programmes, Sharing and Mobilising work, and a portion of Access' running costs are funded via an expendable endowment, granted by DCMS. Our mandate is to invest our expendable endowment to achieve positive social impact with a financial return to fund our grant making, thereby increasing the total impact made by the endowment over its lifetime. This is part of our "Total Impact" approach. An Investment Policy Statement (IPS) has been approved specifically for the endowment and the endowment's investments are managed in line with that policy.

Rathbones continue to manage our endowment in accordance with the endowment IPS and at 31 December 2024, they had £13.4m (2023 - £17.7m) of its assets under management

The IPS details the financial and social objectives of the portfolio, as well as any constraints that Rathbones needs to adhere to. It includes guidance on the permitted investments, liquidity requirements, risk management, benchmarking considerations, roles and responsibilities and reporting requirements.

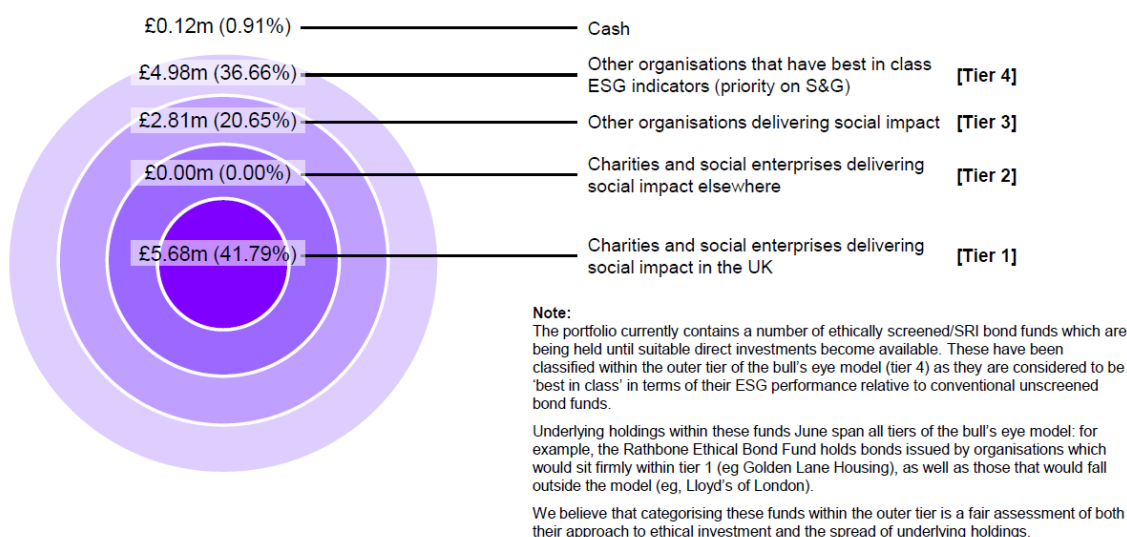
In terms of the impact that the portfolio will seek to achieve, we have adopted a tiered view of the varying degrees of impact. Access held investments as follows:

1. Charities and social enterprises delivering social impact in the UK – at 31 December 2024 this was 41.79% (2023 - 35.14%) of total investments (Tier 1 or referred to as the "bull's eye")
2. Charities and social enterprises delivering social impact elsewhere – at 31 December 2024 this was 0.00% (2023 – 0.68%) of total investments (Tier 2)
3. Other organisations delivering social impact – at 31 December 2024 this was 20.65% (2023 – 16.75%) of total investments (Tier 3)
4. Other organisations that have best in class Environmental, Social and Governance (ESG) indicators at 31 December 2024 this was 36.66% (2023 – 37.47%) of total investments (Tier 4)
5. Cash – 0.91% (2023 – 9.96%)

Trustees' report Year to 31 December 2024

This is best represented by a diagram shown below:

Portfolio mapped to the Bull's eye framework as at 31 December 2024



Note: *not to scale*

Impact reports are published on our website. The latest [report](#) is for the period to December 2023. Future reports will be published annually for each calendar year.

Capital Preservation Funds

A fund is managed for capital preservation when the Board is of the view that the funds should only be placed on deposit with suitable banks and that it is not appropriate to invest these funds partly or fully in a bond portfolio or other financial products.

As 31 December 2024 there were two Capital Preservation Funds:

- ◆ The Local Access Dormant Accounts Fund; and
- ◆ The General Dormant Accounts Fund.

An Investment Policy Statement (IPS) has been approved specifically for capital preservation funds and these funds are managed in line with that policy. The primary investment objective is to invest each Fund using a "total impact" approach, achieving both financial and social impact, in line with how Access invests its expendable endowment. The investment of these funds is managed in house.

The financial objective is to preserve the capital of each fund prior to expenditure. A financial return in line with the appropriate cash deposit rates is targeted over the period that the capital is invested and with a liquidity profile that is appropriate for the time horizon. This was met during the year. The capital is held with banks that best align with the "Bulls Eye" approach developed by Access subject to the opportunity set and consideration of risk factors.

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Investment performance - Endowment

Rathbones continued to act as our asset manager throughout 2024. At 31 December 2024, the market value of these investments stood at £13.4m (2023 - £17.7m) which included cash held of £0.2m (2023 - £1.79m). The cost of these investments amounted to £14.5m (2023 - £21.0m), and there was an unrealised loss on the change in market value of £4.3m (2023 - £4.3m) to date. Income from this investment portfolio amounted to £10.5m (2023 - £9.9m) to date.

The investment portfolio achieved a Time Weighted Return (TWR) for 2024 of 4.14% (2023 - 5.13%). The target TWR per year is 2-3%. With the backdrop of Covid and rising interest rates affecting the bond market, the trustees are satisfied with the performance of the investments, both in terms of financial return and social impact generated.

In relation to the management of the spend-down endowment, the Endowment Investment Committee (EIC) closely monitor risks, and work with Rathbones, the charity's asset managers, in seeking to mitigate those risks.

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised.

To mitigate credit risk during the last year the EIC worked closely with Rathbones to monitor the health of the underlying holdings in the portfolio, including through reviewing reports directly from the bond issuers and analysing wider market information.

Liquidity risk has also been closely monitored during the course of the year through regular reforecasting of anticipated programme spend, and modelling of any future sales of bonds required to meet that spend. The EIC and board have discussed strategies for reducing illiquidity in the portfolio towards the end of the life of the endowment (from 2024 onwards) and continue to monitor the holdings to reduce liquidity risk in the longer term.

Financial review

Results for the period

Access had net expenditure of £6.40m (2023 - net expenditure £7.94m) in 2024, before investment losses of £0.02m (2023 - gain of £0.22m). The result reflects the scale up in activity from Dormant Assets and spend-down of our endowment in accordance with our mission and the utilisation of restricted grants received.

Income from grants in 2024 was £16.70m (2023 - £10.52m), almost entirely relating to Dormant Asset funding, which is released in the period in which it is spent. This reflects the scale up in delivery of our Dormant Asset funded blended finance programmes, especially the Cost of Living programme.

Investment income totalled £1.52m (2023 - £1.31m), derived from dividends and interest from both investments and banks.

Trustees' report Year to 31 December 2024

Access experienced a record year of grant making activity in 2024. Expenditure on charitable activities totalled £24.6m (2023 - £19.8m), as follows:

	2024 £m	2023 £m
Capacity Building	3.1	6.4
Blended Finance	20.9	12.9
Sharing and Mobilising	0.6	0.4
	24.6	19.7

The total includes £22.8m (2023 - £18.3m) in grants paid, of which £2.5m (2023 - £2.1m) relates to project management costs for delivering effective programmes, including expenses for partner organisations administering them on our behalf.

Capacity Building included spend of £2.4m (2023 - £1.8m) relating to Reach Fund programmes and £0.3m (2023 - £2.8m) relating to Enterprise Development Programmes.

Blended Finance spend included grants paid as follows:

- £3.1m (2023 - £4.9m) on the Flexible Finance programme
- £4.8m (2023 - £3.4m) on Enterprise Growth for Communities programme
- £1.9m (2023 - £0.1m) on the Energy Efficiency Social Investment programme
- £7.8m (2023 - £2.1m) on the Cost of Living programme, which largely concluded in 2024.

Sharing and Mobilising consisted primarily of staff costs and external consultancy fees to help evaluate our programmes and the role of Access in the broader ecosystem.

Access is a lean organisation and works through partnerships. The full-time equivalent number of staff increased by 23% in 2024 from 9.5 FTE to 11.7 FTE, as we invested in more resources to manage our blended finance programmes.

The charity's remaining endowment will be spent over the next year on our Capacity Building and Sharing and Mobilising work. It will also be used to part fund the running costs of Access.

Reserves policy and financial position

The balance sheet shows total funds of £21.5m (31 December 2023 - £27.9m).

These funds include expendable endowment funds of £3.7m (2023 - £10.2m). Whilst the income from these funds may be used for the general purposes of the charity and is held as unrestricted reserves, the trustees' current plan is to use that income over the next few years to fund our Capacity Building programmes, and to part-fund the running costs of Access.

As detailed in note 10, the market value of the charity's investment portfolio was £14.4m (2023 - £18.6m), the reduction in 2024 being predominantly due to funds drawn down during the year for programme spend.

Trustees' report Year to 31 December 2024

Dormant Asset income is only recognised when grants are paid, therefore there were no funds relating to this at year-end (2023 - £nil). However, there was £15.0m (2023 - £31.6m) of cash recognised in deferred income awaiting use for programmatic spend. Cash is drawn down 12-18 months ahead of need from the National Lottery Community Fund, who distribute funds from the Dormant Asset Scheme to good causes.

Full details of restricted funds can be found in note 13 to the accounts together with an analysis of movements in the period.

No funds have been designated, or set aside, by the trustees for specific purposes. General funds of the charity at the end of the year were £10.2m (2023 - £9.7m) and are almost entirely "free reserves".

There has been a shift in the core of Access' grant making programmes being funded from its expendable endowment of £60.65m from DCMS to Dormant Assets. Access receives Dormant Assets funding ahead of when these resources will be committed and therefore the funds are considered adequate to meet the running costs of Access as well as the grant funding of our programmes.

Fundraising statement

Access does not actively solicit donations directly from the public and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. Were donations from individuals or trusts and foundations to be received, Access would ensure personal data is appropriately protected.

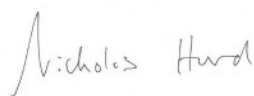
Auditors

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:



Nick Hurd
Trustee

Approved by the trustees on: 30th April 2025

Independent auditor's report to the members of Access – The Foundation for Social Investment

Opinion

We have audited the financial statements of Access – The Foundation for Social Investment (the 'charitable company') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, and statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 [date] and of its 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 charitable company 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 Year to 31 December 2024

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic 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' report including the strategic 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, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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:

- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: 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), the Companies Act 2006 and the Charities Act 2011.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit, Risk and Compliance Committee.
- ◆ We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
- ◆ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
- ◆ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;

Independent auditor's report Year to 31 December 2024

- ◆ Challenging assumptions and judgements made by management in its significant accounting estimates;
- ◆ Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- ◆ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at 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.



Edward Finch (Senior Statutory Auditor)

For and on behalf of Buzzacott Audit LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL

23 May 2025

Statement of financial activities Year to 31 December 2024

		Unrestricted funds	Restricted funds	Endowment funds	2024 Total funds £'000	<i>2023 Total funds £'000</i>
	Notes	£'000	£'000	£'000		
Income and endowments from:						
Charitable activities	1	—	16,730	—	16,730	<i>10,520</i>
Investments	2	890	629	—	1,519	<i>1,311</i>
Total income		890	17,359	—	18,249	<i>11,831</i>
Expenditure on:						
Raising funds		—	—	42	42	<i>61</i>
Charitable activities	3					
. Capacity Building		—	—	3,142	3,142	<i>6,415</i>
. Blended Finance		—	18,526	2,347	20,873	<i>12,871</i>
. Sharing and Mobilising		—	—	587	587	<i>419</i>
Total expenditure		—	18,526	6,118	24,644	<i>19,766</i>
Net income / (expenditure) before gains / (losses) on investments		890	(1,167)	(6,118)	(6,395)	<i>(7,935)</i>
Net gains / (losses) on investments	9	—	—	(18)	(18)	<i>224</i>
Net income / (expenditure)	4	890	(1,167)	(6,136)	(6,413)	<i>(7,711)</i>
Transfers between funds		(453)	864	(411)	—	—
Net movement in funds		437	(303)	(6,547)	(6,413)	<i>(7,711)</i>
Reconciliation of funds:						
Total funds brought forward	12	9,743	7,960	10,240	27,943	<i>35,654</i>
Total funds carried forward		10,180	7,657	3,693	21,530	<i>27,943</i>

The statement of financial activities includes all gains and losses recognised in the period.
All of the charity's activities derived from continuing operations during the above financial period.

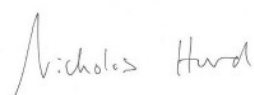
Prior year statement of financial activities Year to 31 December 2023

		Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2023 Total funds £'000
	Notes				
<i>Income and endowments from:</i>					
Grants and other sources for charitable activities	1	—	10,520	—	10,520
Investments	2	1,311	—	—	1,311
Total income		1,311	10,520	—	11,831
<i>Expenditure on:</i>					
Raising funds		—	—	61	61
Charitable activities	3				
. Capacity Building		—	—	6,415	6,415
. Blended Finance		53	11,482	1,336	12,871
. Sharing and Mobilising		—	—	419	419
Total expenditure		53	11,482	8,231	19,766
Net income / (expenditure) before gains / (losses) on investments		1,258	(962)	(8,231)	(7,935)
Net gains / (losses) on investments	9	—	—	224	224
Net income / (expenditure)	4	1,258	(962)	(8,007)	(7,711)
<i>Reconciliation of funds:</i>					
Total funds brought forward	12	8,485	8,922	18,247	35,654
Total funds carried forward		9,743	7,960	10,240	27,943

Balance sheet as at 31 December 2024

	Notes	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Fixed assets					
Tangible assets	8		4		11
Investments	9		14,358		18,597
			14,362		18,608
Current assets					
Debtors due within one year	10	315		267	
Short-term deposits		13,248		20,494	
Cash at bank and in hand		8,997		20,705	
		22,560		41,466	
Creditors: amounts falling due within one year	11	(15,392)		(32,131)	
Net current assets			7,168		9,335
Total net assets			21,530		27,943
The funds of the charity:	12				
Endowment funds			3,693		10,240
Restricted funds			7,657		7,960
Unrestricted funds			10,180		9,743
			21,530		27,943

Approved by the trustees and signed on their behalf by:



Nick Hurd
Trustee

Approved by the trustees on: 30th April 2025

Access – The Foundation for Social Investment: A company limited by guarantee.

Company Registration No. 09153909 (England and Wales)

Statement of cash flows Year ended 31 December 2024

	Notes	2024 £'000	2023 £'000
Cash (used in) provided by operating activities	A	(24,694)	11,829
Cash provided by investing activities	B	11,439	(1,630)
Change in cash and cash equivalents in the year	C	(13,255)	10,199
Cash and cash equivalents at 1 January 2024		22,496	12,297
Cash and cash equivalents at 31 December 2024		9,241	22,496

Notes to the statement of cash flows for the year to 31 December 2024

A Reconciliation of net movement in funds to net cash provided by operating activities

	2024 £'000	2023 £'000
Net movement in funds	(6,413)	(7,711)
Depreciation charge	7	5
(Gains) / losses on investments	18	(224)
Investment income	(1,519)	(1,311)
(Increase) / decrease in debtors	(48)	(103)
Increase / (decrease) in creditors	(16,739)	21,173
Net cash provided by operating activities	(24,694)	11,829

B Gross cash flows from investing activities

	2024 £'000	2023 £'000
Investing activities		
Payments to acquire tangible fixed assets	—	7
Investment income	1,519	1,311
Purchase of investments	(100)	(600)
Proceeds from disposals of investments	2,774	6,502
Purchase of short-term deposits	7,246	(8,850)
Net cash provided by investing activities	11,439	(1,630)

Statement of cash flows Year ended 31 December 2024

C Analysis of changes in cash and cash equivalents

	1 January 2024 £'000	Cash Flows £'000	31 December 2024 £'000
Cash held by investment managers	1,791	(1,547)	244
Cash at bank and in hand	20,705	(11,708)	8,997
Total	22,496	(13,255)	9,241

	1 January 2023 £'000	Cash Flows £'000	31 December 2023 £'000
Cash held by investment managers	83	1,708	1,791
Cash at bank and in hand	12,214	8,491	20,705
<i>Total</i>	<i>12,297</i>	<i>10,199</i>	<i>22,496</i>

Principal accounting policies Year ended 31 December 2024

Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Statutory information

Access – The Foundation for Social Investment is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is at Script, 44 Featherstone Street, London, EC1Y 8RN.

Basis of preparation

These financial statements have been prepared for the year to 31 December 2024.

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), the Companies Act 2006 and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Public benefit entity

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Key judgements that the charity has made which have a significant effect on the accounts include the valuation of investment holdings, where these are unlisted.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because they consider the cash and reserves position of Access to be sufficient to support the charity for at least 12 months from the date of signing these financial statements.

Principal accounting policies Year ended 31 December 2024

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Grants from government for Capacity Building are expendable endowment funds that are restricted to such activity. Income earned on the endowment funds are treated as unrestricted, in line with our agreement.

Funds received from Dormant Accounts via the National Lottery Community Fund (NLCF) are drawn down by the charity periodically based on requests to the NLCF to support cash requirements for the subsequent period. As the funding is provided to support future activity it is initially recognised as deferred income in the balance sheet and taken to the statement of financial activities in the period in which it is spent. The income is conditional on it being used to fund expenditure in accordance with the purposes for which the grant was given. Income and expenditure are therefore shown in the restricted fund.

The grant to support the delivery of Growth Fund is considered a performance related grant on account of the service level agreement in place with the NLCF. This is included as a restricted grant on the basis that it is refundable if not applied for the purposes intended.

Interest receivable

Interest on funds held on deposit is recognised as accrued interest when the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- a. Costs of raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees and an allocation of support costs.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include grants payable, other direct costs and an allocation of support costs.
- c. Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Principal accounting policies Year ended 31 December 2024

Allocation of costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Staff costs are apportioned to activities on the basis of staff time spent on each activity. Support costs, i.e. the cost of overall direction and administration of the charity is apportioned to charitable activities on the basis of direct costs.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-----------------------------|-------------------------------|
| ♦ Computer and IT equipment | 33.3% per annum based on cost |
|-----------------------------|-------------------------------|

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities.

The fair value of fixed asset investments that do not have official exchange settlement prices, is determined by reference to third party market values on the balance sheet date, determined by independent brokers. Those holdings for which there is no active market are valued at cost less any impairment.

The charity does not acquire put options, derivatives, or other complex financial instruments.

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised. All gains (or losses) on investments are taken to the statement of financial activities as they arise. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value, or the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised investment gains and losses are credited (or debited) to the statement of financial activities in the year in which they arise.

Principal accounting policies Year ended 31 December 2024

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.

Cash at bank and in hand and short-term deposits

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than a month from the date of acquisition. Deposits of more than one month but less than one year have been disclosed as short-term deposits. Cash placed on deposit by our investment managers Rathbones is disclosed as a fixed asset investment.

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.

Financial instruments

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.

Fund accounting

Expendable endowment funds comprise monies which the trustees have the power to convert into income. Investment income therefore is credited to unrestricted funds and applied for general purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Pension costs

The charity operates a defined contribution pension scheme via salary sacrifice. The amounts charged represent the contributions payable to the scheme in the period.

1 Income from grants and other sources for charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
National Lottery Community Fund	—	58	—	58
Dormant Assets	—	16,672	—	16,672
2024 Total	—	16,730	—	16,730
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total 2023 £'000</i>
<i>National Lottery Community Fund</i>	<i>—</i>	<i>76</i>	<i>—</i>	<i>76</i>
<i>Dormant Assets</i>	<i>—</i>	<i>10,444</i>	<i>—</i>	<i>10,444</i>
<i>2023 Total</i>	<i>—</i>	<i>10,520</i>	<i>—</i>	<i>10,520</i>

2 Income from investments

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Investment income receivable	592	—	—	592
Interest receivable	298	629	—	927
2024 Total	890	629	—	1,519
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total 2023 £'000</i>
<i>Investment income receivable</i>	<i>859</i>	<i>—</i>	<i>—</i>	<i>859</i>
<i>Interest receivable</i>	<i>452</i>	<i>—</i>	<i>—</i>	<i>452</i>
<i>2023 Total</i>	<i>1,311</i>	<i>—</i>	<i>—</i>	<i>1,311</i>

Notes to the accounts Year ended 31 December 2024

3 Expenditure on charitable activities

	Raising Funds £'000	Capacity Building £'000	Blended Finance £'000	Sharing and Mobilising £'000	Governance costs £'000	Support Costs £'000	2024 Total funds £'000
Grants paid	—	2,819	19,979	37	—	1	22,836
Consultancy fees	—	39	165	138	—	38	380
Investment Management Fees and bank charges	41	—	—	—	—	2	43
Staff costs (note 5)	—	160	391	302	—	59	912
Other staff costs including training and travel	—	6	—	—	—	47	53
Premises and office costs	—	—	—	—	—	86	86
HR and IT support	—	—	—	—	—	38	38
Audit and accountancy fees	—	—	—	—	24	—	24
Recruitment costs	—	—	—	—	—	25	25
Research	—	—	—	50	—	—	50
Trustee costs and expenses	—	—	—	—	9	—	9
Insurance and legal	—	—	—	—	17	—	17
Marketing and website management	—	65	2	49	—	1	117
Subscriptions	—	—	—	—	—	21	21
Conferences and events	—	5	13	2	—	6	26
Depreciation	—	—	—	—	—	7	7
	41	3,094	20,550	578	50	331	24,644
Re-allocation of governance and support costs							
Governance costs	—	6	43	1	(50)	—	—
Support costs	1	42	280	8	—	(331)	—
2024 Total expenditure	42	3,142	20,873	587	—	—	24,644

Notes to the accounts Year ended 31 December 2024

	<i>Raising Funds £'000</i>	<i>Capacity Building £'000</i>	<i>Blended Finance £'000</i>	<i>Sharing and Mobilising £'000</i>	<i>Governance costs £'000</i>	<i>Support Costs £'000</i>	<i>2023 Total funds £'000</i>
<i>Grants paid</i>	—	6,002	12,213	74	—	53	18,342
<i>Consultancy fees</i>	—	42	89	114	—	16	261
<i>Investment Management Fees and bank charges</i>	61	—	—	—	—	2	63
<i>Staff costs (note 5)</i>	—	184	353	199	—	—	736
<i>Other staff costs including training and travel</i>	—	—	1	—	—	41	42
<i>Premises and office costs</i>	—	—	—	—	—	82	82
<i>HR and IT support</i>	—	—	—	—	—	22	22
<i>Audit and accountancy fees</i>	—	—	—	—	23	—	23
<i>Recruitment costs</i>	—	—	—	—	—	27	27
<i>Research</i>	—	—	—	19	—	—	19
<i>Trustee costs and expenses</i>	—	—	—	—	6	—	6
<i>Insurance and legal</i>	—	—	—	—	31	—	31
<i>Marketing and website management</i>	—	77	—	—	—	2	79
<i>Subscriptions</i>	—	—	—	—	—	10	10
<i>Conferences and events</i>	—	3	—	6	—	8	17
<i>Depreciation</i>	—	—	—	—	—	6	6
	61	6,308	12,656	412	60	269	19,766
<i>Re-allocation of governance and support costs</i>							
<i>Governance costs</i>	—	20	39	1	(60)	—	—
<i>Support costs</i>	—	87	176	6	—	(269)	—
<i>2023 Total expenditure</i>	61	6,415	12,871	419	—	—	19,766

3 Expenditure on charitable activities (continued)

Grants paid include project management costs of £2.5m (2023: £2.1m) which relate to the functioning of robust and effective programmes and include the costs of partner organisations administering the programmes on our behalf.

Capacity Building:

Capacity building comprises work involving the consultation, design, implementation, monitoring and evaluating of grant-based programmes to build the capacity of charities and social enterprises. This support helps charities and social enterprises to earn more of their own income and specifically develop business models which can be further supported through utilising social investment. This will help organisations become robust, competitive and sustainable by helping them to participate in the social investment market and become better-equipped to be investment-ready and secure new forms of investment.

Blended Finance:

Access manages and promotes blended finance models, which bridge the gap between charities and social enterprises on one side and social investors on the other. These include:

- ◆ The Growth Fund: a wholesale finance facility for social investors. It is operated by Access which provides support and operational services, with finance from Better Society Capital and the National Lottery Community Fund. The objective is to provide access to capital that charities and social enterprises need when they are at early stages of growth or diversifying their business models by providing loans of less than £150,000. The programme was fully committed by the end of 2022 and is now in portfolio management. Access is represented on the Joint Investment Committee which reviews and approves applications for this funding.
- ◆ Local Access: The Local Access programme uses £10m from dormant assets received by Access in 2018 to blend with circa £15m of Better Society Capital funds to grow local social economies in six places in England. Access has also committed a further £8m from its endowment to fund complementary capacity building programmes.
- ◆ Dormant Asset funded Blended Finance programmes: Access has been allocated £73m in Dormant Assets since 2020 to develop a run a range of blended finance programmes supporting access to finance for charities and social enterprises. These include the Flexible Finance programme, Enterprise Growth for Communities, the Cost of Living Social Investment programme and the Energy Efficiency Social Investment Programme.

Sharing and Mobilising:

These activities enable Access to learn from our programmes and listen to the changing investment needs of the sector in order to influence our future work and that of others who support charities and social enterprises.

Notes to the accounts Year ended 31 December 2024

4 Net income / (expenditure)

This is stated after charging:

	2024	2023
	£'000	£'000
Auditor's remuneration		
. Statutory audit assurance	20	19
. Other services	—	3
Depreciation	7	5

5 Employee and key management remuneration

Staff costs

Staff costs during the period were as follows:

	2024	2023
	£'000	£'000
Wages and salaries	729	590
Social security costs	84	68
Pension costs	99	78
	912	736

Staff numbers

The average number of employees during the period, calculated on a full-time equivalent basis, analysed by function, was as follows:

	2024	2023
	Number	Number
Charitable activities		
. Capacity Building	2.0	1.9
. Blended Finance	5.3	4.4
. Sharing and Mobilising	3.6	2.7
Support costs	0.8	0.5
	11.7	9.5

Higher paid employees

The number of employees earning more than £60,000 (including taxable benefits but excluding employer pension contributions and employer's national insurance contributions) on an **annualised basis** are as follows:

	2024	2023
	Number	Number
£60,001 - £70,000	1	—
£70,001 - £80,000	—	1
£80,001 - £90,000	1	—
£100,001 - £110,000	1	1

The Chief Executive received actual salary of £107k (2023 - £102k) in the financial year.

Key management personnel

Key management personnel comprise the trustees, the Chief Executive and the Senior Leadership Team.

The total cost of employment of the key management personnel of the charity was £425,233 (2023 - £410,083) and includes pension contributions and employer's national insurance contributions. One trustee received remuneration in respect of their services during the period totalling £6,000 (2023 - £6,000). During the period £2,702 was reimbursed and paid on behalf of trustee expenses relating to travel and subsistence to the annual board and staff away day (2023 - £306) were reimbursed to ten (2023 - three) trustees.

6 Insurance

The charity has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £17,462. (2023 - £20,988) and provides cover of up to a maximum of £2m for professional indemnity insurance and up to £5m for directors and officers liability.

7 Taxation

Access is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Tangible fixed assets

	Plant, vehicles & IT equipment £'000	Total £'000
Cost or valuation		
At 31 December 2023	30	30
Disposals	(23)	(23)
At 31 December 2024	<u>7</u>	<u>7</u>
Depreciation		
At 31 December 2023	19	19
Charge for period	7	7
Disposals	(23)	(23)
At 31 December 2023	<u>3</u>	<u>3</u>
Net book values		
At 31 December 2024	<u>11</u>	<u>11</u>
At 31 December 2023	<u>4</u>	<u>4</u>

Notes to the accounts Year ended 31 December 2024

9 Investments

	2024	2023
	£'000	£'000
Market value of listed investments at 31 December 2023	15,907	22,198
Proceeds from disposals	(2,775)	(6,516)
Net investment gains / (losses)	(18)	224
Market value of listed investments at 31 December 2024	13,114	15,906
Value of unlisted investments	1,000	900
Cash held by investment managers	244	1,791
	14,358	18,597
Cost of investments at 31 December 2024	14,542	20,970

Investments held a 31 December 2024 comprised the following:

	2024	2023
	£'000	£'000
UK fixed interest	13,114	15,775
UK equity	—	1,031

At 31 December 2024 investments included the following holdings, which represented material holdings relative to the market value of the total investment portfolio held at that date:

	2024 Market value of holding £'000	2024 Percentage of portfolio
London & Quadrant Housing	1,815	13.8%
Aegon Ethical Corporate Bond B	1,368	10.4%
Edentree Inv Mgmt	1,290	9.8%
Blue Orchard Investment Mgrs	1,311	10.0%
Hightown Praetorian	1,145	8.7%
Places for People (2.875% Snr)	974	7.4%
Royal London Ethical Bond Fund	955	7.3%
Aberdeen Standard OEICV-ASI	909	6.9%
Greensleeves Homes Trust (4.25% Bonds)	837	6.4%
Motability Operations Group (3.75% Bond)	836	6.4%
	<i>2023 Market value of holding £'000</i>	<i>2023 Percentage of portfolio</i>
<i>London & Quadrant Housing</i>	<i>1,815</i>	<i>10.3%</i>
<i>Aegon Ethical Corporate Bond B</i>	<i>1,372</i>	<i>7.7%</i>
<i>Edentree Inv Mgmt</i>	<i>1,304</i>	<i>7.4%</i>
<i>Severn Trent Utilities Finance</i>	<i>1,275</i>	<i>7.2%</i>
<i>Blue Orchard Investment Mgrs</i>	<i>1,236</i>	<i>7.0%</i>
<i>Hightown Praetorian</i>	<i>1,123</i>	<i>6.4%</i>
<i>Places for People (2.875% Snr)</i>	<i>966</i>	<i>5.5%</i>
<i>Royal London Ethical Bond Fund</i>	<i>955</i>	<i>5.4%</i>
<i>Aberdeen Standard OEICV-ASI</i>	<i>927</i>	<i>5.2%</i>

Notes to the accounts Year ended 31 December 2024

10 Debtors

	2024	2023
	£'000	£'000
Due within one year		
Accrued income	54	107
Prepayments	261	160
	315	267

11 Creditors: amounts falling due within one year

	2024	2023
	£'000	£'000
Trade creditors	182	402
Accruals	257	104
Deferred income	14,953	31,625
	15,392	32,131

The movement in deferred income was as follows:

	2024	2023
	£'000	£'000
Deferred income brought forward	31,625	10,068
Amounts released in the year	(16,672)	(10,443)
Amounts deferred in the year	—	32,000
Deferred income carried forward	14,953	31,625

The movement in deferred income relates to distributions from the Dormant Asset Fund, in line with the accounting policy.

12 Movement in Funds Note

	At 1 Jan 2024 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 December 2024 £'000
Unrestricted Funds					
General funds	9,743	890	—	(453)	10,180
Restricted Funds					
Local Access	7,960	207	(675)	165	7,657
Dormant Assets	—	17,094	(17,793)	699	—
National Lottery					
Community Fund	—	58	(58)	—	—
Endowment Funds	10,240		(6,118)	(429)	3,693
Total funds	27,943	18,249	(24,644)	(18)	21,530

12 Movement in Funds Note continued

	At 1 Jan 2023 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 December 2023 £'000
<i>Unrestricted Funds</i>					
<i>General funds</i>	8,485	1,311	(53)	—	9,743
<i>Restricted Funds</i>					
<i>Local Access</i>	8,922	—	(962)	—	7,960
<i>Dormant Assets</i>	—	10,444	(10,444)	—	—
<i>National Lottery Community Fund</i>	—	76	(76)	—	—
<i>Endowment Funds</i>	18,247		(8,231)	224	10,240
<i>Total funds</i>	35,654	11,831	(19,766)	224	27,943

The specific purposes for which the funds are to be applied are as follows:

Restricted funds

Local Access

The Local Access fund arose from the receipt of £10m of in 2018 from The Dormant Assets Scheme via the Oversight Trust, which was recognised in full in that year within restricted funds. The fund represents the activities of the Place Based Blended Finance programme, known as Local Access.

Dormant Assets

The Dormant Assets fund arose from the receipt of £30m in 2020 and £20m in 2022 to grow our blended finance work as well as £23m awarded in 2023 to fund the Cost of Living and Green Energy programmes. Income is recognised in line with expenditure, as per our accounting policy and therefore as of 31 December 2024, £15m of the £53m is recognised as deferred income.

Funds received from the Dormant Assets Scheme via the National Lottery Community Fund are drawn down by the charity periodically based on cash requirements for the subsequent period. As the funding is provided to support future activity, it is initially recognised as deferred income in the balance sheet and then recognised as expenditure in the statement of financial activities in the period in which it is incurred. The income is conditional on it being used to fund expenditure furthering the social purposes or for the purpose of helping charities and social enterprises. Income and expenditure are therefore shown in the restricted fund.

National Lottery Community Fund

This is funding for the administration and servicing of the Growth Fund. This includes the portfolio management of Growth Fund investees, provision of support and guidance to social investors including fostering a community of investees and promotion of awareness of the Programme.

Endowment funds

In years 2015 – 2020, The Department for Digital, Culture, Media and Sport donated an expendable endowment fund to Access to support its charitable activities and a contribution to running costs. The funds may be invested in order to achieve a financial return. This financial return can be applied in furtherance of Access' charitable objectives and as such are recognised as unrestricted income each year. Spend and gains and losses on the endowment fund are recognised as restricted to the endowment.

Transfers between funds

During the year, Access reviewed its historical treatment of its funds. This resulted in transfers between funds, to ensure consistent treatment across the years.

13 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2024 £'000
Fund balances at 31 December 2024 are represented by:				
Tangible fixed assets	4	—	—	4
Investments	10,665	—	3,693	14,358
Net current assets	(489)	7,657	—	7,168
Total net assets	10,180	7,657	3,693	21,530
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total 2023 £'000</i>
<i>Fund balances at 31 December 2023 are represented by:</i>				
<i>Tangible fixed assets</i>	<i>11</i>	<i>—</i>	<i>—</i>	<i>11</i>
<i>Investments</i>	<i>8,357</i>	<i>—</i>	<i>10,240</i>	<i>18,597</i>
<i>Net current assets</i>	<i>1,375</i>	<i>7,960</i>	<i>—</i>	<i>9,335</i>
<i>Total net assets</i>	<i>9,743</i>	<i>7,960</i>	<i>10,240</i>	<i>27,943</i>

14 Ultimate parent undertaking

The Oversight Trust a company incorporated in the UK with registration no. 07611016, is considered to be the ultimate parent undertaking of the charity.

Access – The Foundation for Social Investment is a charity and company limited by guarantee, with one legal member, The Oversight Trust which is also the majority shareholder of Better Society Capital, and sole legal member of Fair for All Finance and Youth Futures Foundation.

In the event of the charity being wound up The Oversight Trust would be required to contribute an amount not exceeding £1.

Notes to the accounts Year ended 31 December 2024

15 Related party transactions

Access leases office space from Better Society Capital, whose majority shareholder is The Oversight Trust. Rent is paid under an operating lease at a rate of £6,533 per month and this lease can be cancelled with one month's notice.

Other than those transactions described above and detailed in note 6, there were no other related party transactions during the period (2023 - none). There were no donations from trustees in the year (2023 - none).

16 Financial instruments

	2024 £'000	2023 £'000
Financial assets		
Financial assets measured at fair value through profit or loss	35,603	58,375
Financial assets measured at cost less impairment	1,000	1,421
	36,603	59,796
Financial liabilities		
Financial liabilities measured at amortised cost	(440)	(506)

Financial assets measured at fair value through profit or loss comprise the majority of investments and cash at bank and in hand.

Financial assets measured at cost less impairment comprise investments which are not traded in an active market.

Financial liabilities measured at amortised cost comprise trade creditors, money held as agent and accruals.

Risks faced by financial instruments which are investments are that of volatility in fixed income markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in market sentiment within particular sectors or sub sectors.

Risks faced by financial instruments that are debt instruments and financial liabilities include counterparty risk.

17 Post-balance sheet events

There are no post balance sheet events to report.

ACCESS - THE FOUNDATION FOR SOCIAL INVESTMENT

England & Wales - Charity number 1159699

Accounts

Access – The Foundation for Social Investment

Annual Report and Accounts

31 December 2023

Charity Registration Number
1159699
Company Registration Number
09153909

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Reference and administrative details of the charity its trustees and advisers

Trustees	Nick Hurd – Chair Emilie Goodall Franz Ranero Heather Hilburn Kate Kuper Jane Ide Martin Rich (Senior Independent Trustee) Robert Williamson Susan Cooper Samantha Latouche
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Senior leadership team	
Chief Executive Officer	Seb Elsworth
Director of Programmes	Neil Berry
Director of Partnerships and Advocacy	Chloe Stables
Director of Finance and Operations (job share)	Chris Coghlan, Simon Cottee

Principal office	New Fetter Place 8-10 New Fetter Lane London EC4A 1AZ
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Website	access-socialinvestment.org.uk
E-mail	info@access-si.org.uk

Charity registration number	1159699
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Company registration number	09153909
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Reference and administrative details of the charity its trustees and advisers

Auditor Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Investment advisors Rathbone Brothers Plc
8 Finsbury Circus
London
EC2M 7AZ

Bankers Triodos Bank UK Limited
Deanery Road
Bristol
BS1 5AS

The Charity Bank Limited
Fosse House
182 High Street
Tonbridge
TN9 1BE

Reliance Bank Limited,
Faith House,
23 - 24 Lovat Lane, London,
EC3R 8EB

Unity Trust Bank
PO Box 7193, Planetary Road,
Willenhall WV1 9DG

Trustees' report Year to 31 December 2023

The trustees present their statutory report together with the accounts of Access – The Foundation for Social Investment for the year ended 31 December 2023.

The trustees' report has been prepared in accordance with part 8 of the Charities Act 2011 but also comprises a directors' report and a strategic report for the purpose of company legislation. The accounts have been prepared in accordance with the principal accounting policies set out therein and comply with the charitable company's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

Strategic report

Introduction

We are Access – The Foundation for Social Investment

We want to see a social investment eco-system that works for all charities and social enterprises, supporting them to meet the evolving needs of communities across the country. We work to make sure that charities and social enterprises can access the finance they need to sustain or grow their impact.

Through our programmes and our advocacy work, we are building the capacity of the social investment ecosystem to provide blended finance and boosting the resilience of charities and social enterprises through enterprise activity.

Designed to 'disrupt' the existing social investment market and widen its reach into places and communities that were previously excluded, we target those most in need of patient and flexible investment through:

- ◆ Funding blended finance and enterprise development programmes in England.
- ◆ Sharing knowledge and data and translating it into practical insight that others can use.
- ◆ Mobilising others who share our goal of making capital work for communities.

Access was created in 2015, following a realisation that sustained efforts to grow the social investment market had not resulted in meeting the needs of many charities and social enterprises.

Typically, the type of finance that is suitable for most charities and social enterprises has not been readily available either because there was too much risk, or the size of investment was too small.

Equally, support for charities and social enterprises to grow their enterprise models and access investment was patchy, under-resourced, under-developed and uncoordinated. And so, Access was created to grow the reach of social investment.

Our funding has focused on two strategic themes since our inception:

- ◆ **Demonstrating the value of blended finance** - By combining grants with repayable finance into a blended package, we enable intermediaries to provide smaller scale, higher risk, more patient and flexible, and affordable finance that meets the needs of a broad range of charities and social enterprises, particularly smaller organisations or those working in disadvantaged areas.

Trustees' report Year to 31 December 2023**Strategic report** (continued)**Introduction** (continued)**We are Access – The Foundation for Social Investment** (continued)

- ◆ **Championing enterprise development** - By supporting charities and social enterprises to develop enterprise models, we help organisations to find a more secure financial footing and build a more sustainable and resilient sector, better placed to meet the evolving needs of communities.

Our impact lies not just in the programmes we fund, but in our influence over the broader social investment ecosystem. Increasingly our focus is on sharing the learning we have generated, and mobilising action with a range of partners including social investors, foundations, and infrastructure bodies.

In our operating model, we seek to maximise opportunities to generate impact and take a “Total Impact” approach. Most significantly, we are investing our expendable endowment and any other funds received, to achieve positive social impact with a financial return, to fund our grant-making, thereby increasing the total impact made by the endowment over its lifetime.

When reviewing the aims and activities of the charity and the provision by the charity of public benefit, the trustees have had regard to the general guidance provided by the Charity Commission. The trustees believe that the aims of the charity set out above are demonstrably for the public benefit.

Summary of 2023 achievements

- *Announcement of continued Dormant Assets funding for social investment*
- *Decision to extend Access's operations past 2026*
- *Launch of £11 million cost-of-living programme*
- *Rapid development of £20 million support package for energy efficiency*
- *Enabling deployment of £3.5m in smaller scale, unsecured finance*
- *Facilitating the investment of £12m in patient and flexible capital*
- *Deepening knowledge of place-based investment in six areas across England*
- *Supporting sector transformation through enterprise*
- *Continued focus on building a market fit for the future*
- *Establishment of new Blended Finance Community of Practice*
- *Driving philanthropic impact through Enterprise Grant making*
- *Delivering social and environment impact and a 7% return through our endowment*
- *Deepening our commitments to equity, diversity and inclusion*

Trustees' report Year to 31 December 2023**Strategic report** (continued)**Review of performance and achievement**

Throughout 2023, amidst ongoing economic challenges, there is a growing sense that charities, social enterprises and community groups lack the capacity they need to step up their work at the scale required. With real terms spending reductions in the public sector and the continued squeeze on household incomes, many charities and social enterprises are looking to find new ways of managing rising costs and growing demand for their services.

In this context, Access continues to focus on building resilient organisations that are able to address the needs of communities and weather the ebbs and flows of economic, political and social change.

Patient and flexible forms of social investment enable charities and social enterprises to diversify their income streams and increase their resilience. This ensures these vital organisations are more financially independent and better able to plan for the future, so they can handle unexpected events and take advantage of opportunities.

Across 2023, Access deployed funds at a record rate and this looks set to continue into 2024.

Since its inception, Access's commitments have leveraged additional investment from both private and philanthropic sectors, delivering at least an additional £113 million for charities and social enterprises (about £1.41 for every £1 spent).

➤ **Announcement of continued Dormant Assets funding for social investment**

To date, Access has committed over £71 million from the Dormant Asset scheme into funds and programmes that support charities and frontline social enterprises. In March 2023, the Government announced the outcome of its consultation on the English portion of Dormant Assets funding, confirming that Social Investment Wholesalers would continue to be a cause which could receive Dormant Asset funding in England.

The Government also announced a further distribution of Dormant Assets from the current scheme to Access of £23m to support the sector address challenges related to the Cost-of-Living crisis and support energy resilience. By summer 2023, funds were up and running, enabling social investors to focus on how they can support organisations with their energy resilience and scaling solutions that deliver for the hardest hit communities.

➤ ***Decision to extend Access's operations past 2026***

In early 2023, Access's trustee board also announced that the organisation would not work towards closure, as originally planned, by 2026. Many stakeholders advocated for a continued role for Access highlighting the value we bring in terms of reputation, stability, relationships, and additional resources for charities and social enterprises. The trustees were clear that this decision does not mean we intend to exist in perpetuity and we plan to work with the Oversight Trust to periodically review the need for Access's existence as the social investment ecosystem continues to evolve, with the long-term desire to close if we can.

Trustees' report Year to 31 December 2023**Strategic report** (continued)**Review of performance and achievement** (*continued*)**Programme design and delivery**➤ ***Launch of £11 million cost-of-living programme***

Following receipt of a new commitment of Dormant Assets, our £11m Cost of Living programme got underway in Autumn 2023. It is focused on getting support to charities and social enterprises that are using trading models to support those facing the brunt of acute cost of living pressures. 11 partners are now busy distributing funds – including £1.7 million over the last quarter of 2023 through blended finance or enterprise development grants. To date, this support has focussed predominantly on those working on food distribution, transport and financial exclusion with a large proportion (41%) going to the most deprived areas (IMD1).

➤ ***Rapid development of £20 million support package for energy efficiency***

Alongside this work, Access worked at pace to understand how Blended Finance could bolster the energy resilience of charities and social enterprises by helping them to reduce energy costs, improve energy efficiency, and promote a just transition towards a greener future. This meant directly supporting energy efficiency measures and other non-financial barriers (such as lack of data and the need to navigate a complex web of suppliers). This culminated in the launch of a £20 million fund (£12 million from Access plus £8 million co-investment from Big Society Capital) in late 2023.

➤ ***Enabling deployment of £3.5m in smaller scale, unsecured finance***

Our Enterprise Growth for Communities programme continues to expand the reach of social investment to smaller organisations or those based in disadvantaged areas. Evidence suggests that charities and social enterprises are typically looking for smaller amounts of unsecured finance. This programme deploys the type of finance that meets the needs of a much wider range of charities and social enterprises: often smaller organisations, based in underserved parts of the country, and led by more diverse groups.

The fund intends to leverage £20 million of Dormant Assets funding to deliver over £60 million for charities and social enterprises through co-investment and recycling. With just under £30 million of co-investment to date, the fund was leveraged £1.48 for every £1 spent delivering £2.48 to the frontline. This will increase further when funds are recycled.

With six funds now deploying, the programme made its first investment into a frontline organisation in March 2023, and by the end of year the programme had delivered £3.5 million investment into 45 organisations (an average investment of 78k).

➤ ***Facilitating the investment of £12m in patient and flexible capital***

Flexible Finance aims to address gaps in the supply of more patient and flexible social investment products for charities and social enterprises which are not widely available in the current marketplace. The fund will leverage £22 million of Dormant Assets funding to deliver over £50 million for charities and social enterprises through co-investment and recycling. With just under £40 million of co-investment to date, the fund leverages £1.67 for every £1 spent delivering £2.67 to the frontline. This will increase further when funds are recycled.

Trustees' report Year to 31 December 2023**Strategic report** (continued)**Review of performance and achievement** (*continued*)**Programme design and delivery** (*continued*)➤ ***Facilitating the investment of £12m in patient and flexible capital*** (*continued*)

In 2023, the programme saw 9 funds deploy £12.3 million to 76 frontline organisations, with deployment ramping up significantly over 2023.

This included the Lending Equal Access Programme (LEAP) fund launched by Charity Bank – a significant departure from their main lending portfolio, it aims to address the demand for flexible social funding, specifically among diverse-led enterprises. The LEAP fund enables organisations to access funding for anything from a new computer to the purchase of a building. The fund has enabled Charity Bank to expand its offering and support more impact led organisations.

➤ ***Deepening knowledge of place-based investment in six area across England***

Our “Local Access” programme also continued to evolve in six places across England (Bristol, Bradford, Gainsborough, Greater Manchester, Southwark and Redcar Cleveland and Hartlepool), where local partnerships are seeking to develop their local social economy. The programme hopes to demonstrate how a combination of enterprise support and blended social investment can help to achieve a step change in a local social economy. Using a £10 million investment from Dormant Assets, the programme is trialling new approaches and products to spark social enterprise and investment where this hasn't traditionally been developed and target underserved communities such as Black and Minoritised communities led social enterprises. The programme is a partnership between Access – The Foundation for Social Investment and Big Society Capital, with approximately £33 million of funding consisting of both Access grant and BSC investment capital. The programme has the potential to deliver long-term systemic change and we hope that the programme will deliver in time a better understanding of what works to strengthen the social economy in a place. In 2023, a total of 948 enterprise support interventions were carried out to develop social enterprises and their investment readiness across the Local Access places.

➤ ***Supporting sector transformation through enterprise***

The Enterprise Development Programme is an innovative programme that supports charities and social enterprises to think creatively, become more financially resilient and develop enterprise models. The programme supports charities and social enterprises looking to identify, test, implement or scale trading models, helping them to deliver their mission and become more sustainable. Taking a sector-led approach, the cost-effective programme supports small groups of organisations working in similar areas to establish new enterprise models or grow existing ones. The current cohorts cover six sectors including black and minoritised communities, the environment sector, equality, homelessness, mental health and the youth sector. In total, 325 organisations have been supported since 2018 through the six sectors, deploying a total of £8m in grants.

As the programme draws towards a close, we initiated the evaluation phase by commissioning an external evaluator to help us understand the overall impact of the programme on the organisations and sectors supported, and learn lessons about the design of future enterprise development initiatives.

Trustees' report Year to 31 December 2023**Strategic report** (continued)**Review of performance and achievement** (*continued*)**Programme design and delivery** (*continued*)➤ ***Continued focus on building a market fit for the future***

Access's partners are central to everything we do - our success hinges on working with others to accelerate change and build the social investment ecosystem the sector needs.

The Connect Fund, a partnership between Access and the Barrow Cadbury Trust, provides support to organisations delivering services for charities and social enterprises seeking social investment. This is a £6 million fund for grants and occasionally social investment to build better infrastructure for the social investment landscape in England, particularly for new entrants and markets. With a particular focus on catalysing new networks, products and support from social investment intermediaries, the Connect Fund has looked to support key elements of infrastructure as it enters its final phase. This demonstrates our commitment to building a market fit for the future, as well as delivering finance to the frontline. Key to this has been support for projects that support equity, diversity and inclusion such as the Diversity Forum and the Equality Impact Investing Project. Another highlight was the 2023 Gathering - a two-day event for social investors to come together and figure out how to make social investment better.

Influencing the external environment

Our work in sharing learning and mobilising partners has focussed largely on future supply of grant subsidy throughout 2023. In March, as previously highlighted, the Government announced the outcome of its consultation, confirming that Social Investment Wholesalers would continue to be a cause which could receive Dormant Asset funding in England. The remainder of the year has seen a dedicated workstream to determine further allocations from the expanded Dormant Asset Scheme (covering 2024-28) and in late September the Government announced their intention to split approximately £350 million across the four causes (social investment, youth, financial inclusion and community wealth funds).

To coincide with the March announcement on Dormant Assets, we hosted Minister for Civil Society, Stuart Andrew MP at a social enterprise in Reading. New Meaning work with young people to help them find their strengths and make a living – covering construction, sports, employability and life skills.

We continue to coordinate the Community Enterprise Growth Plan campaign and work alongside key partners to make the case for social investment continuing as a recipient cause of Dormant Assets.

The campaign has support from a broad coalition including key players in the voluntary sector such as NCVO, ACEVO, ACF, CFG and NAVCA, funders such as Esmée Fairbairn, the Barrow Cadbury Trust and the Plunkett Foundation as well as business groups such as the British Chambers of Commerce, the Institute of Directors, and the Federation of Small Businesses.

Alongside our partners, we have continued to highlight the impact of social investment and social enterprise on the local economy, the social impact of the organisations we support and the leverage secured from private and philanthropic funders – increasing the impact of the Dormant Asset Scheme overall, and through recycling of funds, enabling funds to 'do good' many times over.

Trustees' report Year to 31 December 2023**Strategic report** (continued)**Review of performance and achievement** (*continued*)**Influencing the external environment** (*continued*)

In November, working alongside Big Society Capital and a range of partners from across the Community Enterprise Growth Plan coalition, we brought together frontline organisations and the people they support with social investors, others in the Dormant Assets Scheme, government and parliamentarians. With speakers from across the political spectrum, this vibrant and successful event called for more support from current and future governments to help create jobs, boost growth and address social inequalities by unlocking new investment.

➤ ***Establishment of new Blended Finance Community of Practice***

Last year, Access - The Foundation for Social Investment, the European Bank for Reconstruction and Development (EBRD) and Big Society Capital (BSC) organised an initial Blended Finance workshop, which saw blended finance practitioners share case studies about the deal structuring process with peers and stakeholders and led to the launch of the Blended Finance Community of Practice. Since the workshop last year we have grown to a community of over 150 practitioners, and will officially be launching a community knowledge hub and exploring future working groups at this year's workshop.

The community is run by and for blended finance practitioners working in the UK and internationally. It is led by a steering group comprised of Access - The Foundation for Social Investment, BSC, and Save the Children, with advisory input from EBRD, and the Global Impact Investing Network (GIIN).

➤ ***Driving philanthropic impact through Enterprise Grant making***

The Enterprise Grants Taskforce also went from strength to strength – a group of funders and foundations committed to exploring how enterprise grants can be better utilised to boost enterprise in the voluntary sector. Led by a steering group that includes the School of Social Entrepreneurs (SSE), the Association of Charitable Foundations (ACF) and Access, the task force will look at best practice and efforts to scale the approach. In June, research by the Task Force highlighted the huge potential for enterprise grant making to support charities and social enterprise to generate income – increasing the overall impact of philanthropic funds and helping organisations to be more sustainable. While only £2.6m of grants annually meet the definition of enterprise grants, the report highlights there is a much larger sum, between £22m and £115m annually, supporting enterprising activity in a wider sense. With increasingly limited resources to create positive social impact, this new movement of grant making intentionally fills a gap in the funding market that complements unrestricted funding, project-based grant funding and repayable social investment.

➤ ***Delivering social and environment impact and a 7% return through our endowment***

In addition, 2023 saw the acceleration of our advocacy work encouraging other foundations to invest their money in alignment with their mission. Access published an expanded version of their yearly Endowment Impact Report – setting out in more detail our 'Total Impact' approach and demonstrating how we have been able to deliver social and environmental impact while still achieving a financial return.

54% of Access's endowment is invested in organisations delivering social impact, including 34% that is directly invested in UK charities and social enterprises. The remainder is invested in organisations which have best-in-class ESG indicators. Despite wider economic challenges, the Access portfolio managed by

Trustees' report Year to 31 December 2023**Strategic report** (continued)**Review of performance and achievement** (*continued*)**Influencing the external environment** (*continued*)➤ ***Delivering social and environment impact and a 7% return through our endowment***
(*continued*)

Rathbones has outperformed market benchmarks, achieving a total weighted return (after fees) of 7.37% (to December 2022).

In the autumn, Access co-hosted a well-attended conference, with Eiris Foundation and Friends Provident Foundation entitled 'Utilising whole endowments for mission.

➤ ***Deepening our commitments to equity, diversity and inclusion***

Hosted by Bates Wells, we also brought together a range of stakeholders to consider our respective roles in facilitating and advocating for change in relation to impact investing. We also spoke at several sector events to showcase the approach Access has taken to managing its endowment, including the investment series hosted by the Impact Investing Institute and the Association of Charitable Foundations.

In early 2023 Access undertook a comprehensive externally facilitated diversity audit covering the composition of the board, investment committee and staff team. Our internal diversity audit was delivered by the consultancy Small Change, who were chosen for their experience delivering these kinds of projects, and their knowledge of how we work as an organisation.

Our EDI work is an ongoing process that involves ongoing commitment, which is why we have developed a traffic light system to indicate how we are performing against each of our commitments in our equity, diversity and inclusion policy and action plan.

Co-created by a working group of staff and trustees, and supported by external partners, the policy sets out our vision of a truly equitable, diverse and inclusive social investment market and the action plan sets out the steps we think are necessary to deliver this vision. We are planning to review the traffic lights annually, with our board also holding us to account for these commitments.

Alongside our diversity audit another major piece of work has been the Black and Minoritised Communities strand of our Enterprise Development Programme, in which we're working with the Ubele Initiative and Social Investment Business to support 49 organisations to identify, test, implement or scale trading models to deliver their missions and help them become more sustainable.

➤ ***Future outlook***

As Access approaches the end of its 2022-2025 strategy and as we begin to understand more about the parameters of the funding environment, such as the expected commitment from Dormant Assets across 2024-28, it is right to pause and reflect on our strategic priorities to ensure we are delivering against our mission in the best possible way. This will undoubtedly retain a focus on the role of Access in the broader ecosystem rather than simply the impact of our programmes, and the measures of success include the securing of long-term sources of subsidy for blended finance.

Trustees' report Year to 31 December 2023**Governance, structure and management*****Governance***

The names of the trustees who served during the period are set out as part of the reference and administrative details on page one of this annual report and accounts. Brief biographical details on each of the current trustees can be found on our website.

The trustees are committed to ensuring that the Board has the combination of skills necessary to support the effective provision of access to capital to charities and social enterprises.

In particular, the Board of Trustees includes skills and expertise in the following areas: social investment, community regeneration and social enterprise, business, and financial and risk management.

The Board has fully adopted the Charity Governance Code and ensures compliance through regular review. The Board of Trustees reviews its own performance regularly and acts on any feedback received as a result of the evaluation process.

An independent review of governance occurred during the year which concluded that the Board is highly effective and demonstrates a rigorous and congruent approach to governance and leadership. The Board is currently reviewing the recommendations in the independent review.

Key management personnel

The key management personnel of Access comprise the trustees, the Chief Executive and senior leadership team. Remuneration is overseen by the Audit, Risk and Compliance Committee (ARCC). In order to ensure that the remuneration policy reflects the charitable sector that it serves, Access staff receive no more than an annual inflationary increase, subject to affordability and in line with relevant benchmarks and reflective of the conditions in the social sector. An exception will be made if a role has materially changed or the market rate has increased (as confirmed by external benchmarking), in which case a pay increase beyond the rate of inflation may be considered.

Statement of trustees' responsibilities

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and 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 income and expenditure of the charity 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 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);
- ◆ make judgements and estimates that are reasonable and prudent;

Trustees' report Year to 31 December 2023**Governance, structure and management** (continued)**Statement of trustees' responsibilities** (continued)

- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the accounts on the 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 accounts 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.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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.

Structure and management reporting

Access is a charity and company limited by guarantee, with one legal member, the Oversight Trust. The Oversight Trust is also the majority shareholder of Big Society Capital, and the sole legal member of Fair4All Finance and the Youth Futures Foundation. As the sole legal member, the Oversight Trust agrees to contribute £1 in the event of the charity winding up.

Access is governed by the Board of Trustees. The Board of Trustees has six scheduled meetings a year, including an annual strategic away day. Other meetings are called as required. The trustees delegate the day-to-day management of Access to the Executive team.

The Audit, Risk and Compliance Committee (ARCC) is one of two formal subcommittees of the Board, comprising four trustees. The ARCC is responsible for the relationship with the auditors, ensuring the integrity of Access' accounting and financial practices, examining and reviewing all systems and methods of control including financial and risk management, all HR matters and policies and ensuring that Access complies with all aspects of the law, relevant regulation and good practice. The ARCC has four scheduled meetings a year and other meetings are called as required.

Trustees' report Year to 31 December 2023**Governance, structure and management** (continued)***Structure and management reporting*** (continued)

The Endowment Investment Committee (EIC) comprises two trustees and two external members. The EIC is responsible for the relationship with our investment managers (Rathbones), and its role is to monitor both the social impact and financial performance of the social investments that are being managed on Access' behalf by Rathbones from the endowment funds provided by DCMS and the treasury management of the dormant account funds. The EIC has four scheduled meetings a year and other meetings are called as required.

Risk management

To ensure that risks are managed and mitigated, a risk register is in place, which enables Access to identify and evaluate both strategic and operational risks, and the actions needed to mitigate these risks, taking into account existing and proposed controls. The ARCC reviews the risk register on a quarterly basis.

The key strategic risks which the organisation is currently managing relate to the longer-term legacy of Access and that, in order to achieve its mission, the foundation needs to ensure that it is influencing the broader social investment ecosystem so that key aspects of its work can continue once the organisation closes, or further resources can be made available for the organisation's work to continue. The refreshed strategy and the renewed focus on learning and advocacy work are a key mitigant. A major focus of the organisation's work in the year ahead will be securing further resources from dormant assets for blended finance.

The ARCC is also reviewing risks relating to specific programmes, and their ongoing impact on the organisation's work.

Grant making policy

Access is able to award grants in a variety of ways, namely via the blended finance programmes, Capacity Building programmes or for research work as part of the Learning, Listening and Sharing Knowledge strand. In awarding grants, we apply the following principles:

- ◆ The ultimate objective of the grant should be to increase access to finance for charities and social organisations and/or to support the growth of the social investment market.
- ◆ The grant may be used by recipients to fund or support charities and social organisations directly or to enable other intermediaries to provide appropriate funding or support to such charities or social organisations.
- ◆ The applicant will need to evidence the use of grant in increasing the efficiency and effectiveness of charities and social organisations.

We do not consider applications for any activities which are outside the Access objects; any activities which are not considered charitable in accordance with the laws of England and Wales; any political or commercial appeals; and any to the benefit of the trustees or anyone related to the trustees.

Trustees' report Year to 31 December 2023**Grant making policy** (continued)

Applications must be submitted in accordance with our stated programme areas and will be subject to due diligence and a multi-stage decision making process. Grant recipients will be subject to monitoring, feedback requirements and evaluation. The terms of such monitoring and evaluation will vary depending on the type of funding and the programme area funded and details will be set out in the agreement between the recipient and Access.

Investments and Treasury***Endowment***

The Capacity Building programmes, Listening, Learning and Sharing Knowledge (Market Championing) work, and a portion of Access' running costs are funded via an expendable endowment, granted by DCMS. Our mandate is to invest our expendable endowment to achieve positive social impact with a financial return to fund our grant making, thereby increasing the total impact made by the endowment over its lifetime. This is part of our "Total Impact" approach. An Investment Policy Statement (IPS) has been approved specifically for the endowment and the endowment's investments are managed in line with that policy.

Rathbones were appointed as the endowment's asset managers in early 2016 and at 31 December 2023, they had £17.7m (2022 - £22.3m) of its assets under management. Rathbones manages our endowment in accordance with the endowment IPS. The IPS details the financial and social objectives of the portfolio, as well as any constraints that Rathbones needs to adhere to. It includes guidance on the permitted investments, liquidity requirements, risk management, benchmarking considerations, roles and responsibilities and reporting requirements.

In terms of the impact that the portfolio will seek to achieve, we have adopted a tiered view of the varying degrees of impact. In descending order, Access invests in:

1. Charities and social enterprises delivering social impact in the UK – at 31 December 2023 this was 35.14% of total investments (Tier 1 or referred to as the "bull's eye")
2. Charities and social enterprises delivering social impact elsewhere – at 31 December 2023 this was 0.68% of total investments (Tier 2)
3. Other organisations delivering social impact – at 31 December 2023 this was 16.75% of total investments (Tier 3)
4. Other organisations that have best in class Environmental, Social and Governance (ESG) indicators at 31 December 2023 this was 37.47% of total investments (Tier 4)
5. Cash – 9.96%

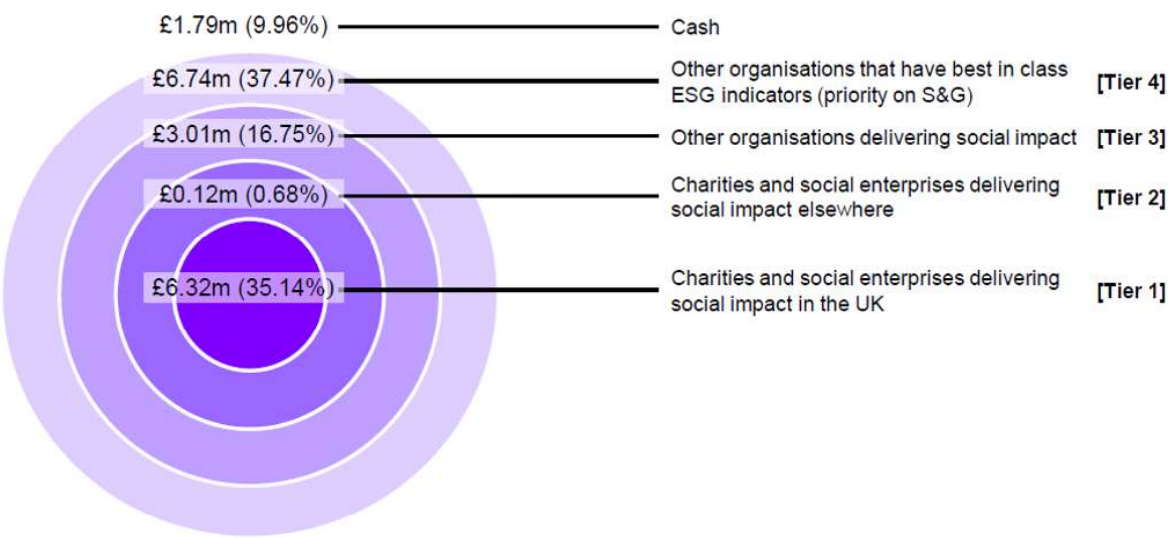
Trustees’ report Year to 31 December 2023

Investments and Treasury (continued)

Endowment (continued)

This is best represented by a diagram shown below:

Portfolio mapped to the Bull’s eye framework as at 31 December 2023



Note: *not to scale*

Impact reports are published on our website. The latest report is for the period to December 2022. Future reports will be published annually for each calendar year.

Capital Preservation Funds

A fund is managed for capital preservation when the Board is of the view that the funds should only be placed on deposit with suitable banks and that it is not appropriate to invest these funds partly or fully in a bond portfolio or other financial products.

As 31 December 2023 there were two Capital Preservation Funds:

- ◆ The Local Access Dormant Accounts Fund; and
- ◆ The General Dormant Accounts Fund.

An Investment Policy Statement (IPS) has been approved specifically for capital preservation funds and these funds are managed in line with that policy. The primary investment objective is to invest each Fund using a “total impact” approach, achieving both financial and social impact, in line with how Access invests its expendable endowment. The investment of these funds is managed in house.

The financial objective is to preserve the capital of each fund prior to expenditure. A financial return in line with the appropriate cash deposit rates is targeted over the period that the capital is invested and with a liquidity profile that is appropriate for the time horizon. This was met during the year. The capital is held with banks that best align with the “Bulls Eye” approach developed by Access subject to the opportunity set and consideration of risk factors.

Trustees' report Year to 31 December 2023**Investments and Treasury** (continued)***Investment performance - Endowment***

Rathbones continued to act as our asset manager throughout 2023. At 31 December 2023, the market value of these investments stood at £17.7m (2022 - £22.3m) which included cash held of £1.79m (2022 - £0.06m). The cost of these investments amounted to £21m, and there was an unrealised loss on the change in market value of £4.3m. Income from this investment portfolio amounted to £9.9m.

The investment portfolio achieved a Time Weighted Return (TWR) for 2023 of 5.13%. (2022 – 5.68%) The target TWR per year is 2-3%. With the backdrop of Covid and rising interest rates affecting the bond market, the trustees are satisfied with the performance of the investments, both in terms of financial return and social impact generated.

In relation to the management of the spend-down endowment, the Endowment Investment Committee (EIC) closely monitor risks, and work with Rathbones, the charity's asset managers, in seeking to mitigate those risks.

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised.

To mitigate credit risk during the last year the EIC worked closely with Rathbones to monitor the health of the underlying holdings in the portfolio, including through reviewing reports directly from the bond issuers and analysing wider market information.

Liquidity risk has also been closely monitored during the course of the year through regular reforecasting of anticipated programme spend, and modelling of any future sales of bonds required to meet that spend. The EIC and board have discussed strategies for reducing illiquidity in the portfolio towards the end of the life of the endowment (from 2024 onwards) and continue to monitor the holdings to reduce liquidity risk in the longer term.

Financial review***Results for the period***

The Statement of Financial Activities (SOFA) shows that Access's result for the year, before investment gains and losses, was a net expenditure of £7.9m (2022 - net expenditure £6.2m). The result reflects the spend-down of our endowment in accordance with our mission and the utilisation of restricted grants received, offset by grants received and investment income from the endowment.

Income from grants in 2023 was £10.5m (2022 - £2.15m). As explained in the notes to the financial statements, income from Dormant Asset funding is being released on a performance basis - i.e., in the period in which it is expensed. The 2022 grant income includes recognition of £2.15m of Dormant Asset income.

Other sources of income include investment income of £1.31m (2022 - £1.21m)

The charity's endowment will be spent over the next three years on our Capacity Building and Listening, Learning and Sharing Knowledge work. It will also be used to part fund the running costs of Access.

The Local Access Fund covers part of the cost of the Local Access (place-based) Blended Finance programme developed with Big Society Capital. The balance of that programme is funded by £8m of Access's endowment. The original £10m restricted fund is expected to be spent over the next three to five

Trustees' report Year to 31 December 2023**Financial review** (continued)**Results for the period** (continued)

years. The relevant portion of support costs are being charged to the £10m fund.

During the year to 31 December 2023 expenditure on charitable activities totalled £19.7m (2022 - £9.5m) made up as follows:

	2023 £m	2022 £m
Capacity Building	6.4	4.7
Blended Finance	12.9	4.2
Listening Learning and Sharing knowledge	0.4	0.6
	19.7	9.5

In addition to grants, these costs include project management costs which relate to the functioning of robust and effective programmes and include the costs of partner organisations administering the programmes on our behalf.

Our office running costs are relatively low due to the fact that we are a lean organisation and work through partnerships. The average FTE increased in 2023 to 9.5 (2022 - 8.3).

Staff costs for the year were £736k (2022 - £634k).

Costs were incurred of £61k (2022 - £79k) on raising funds, which relate to the fees paid for the management of the short term deposit accounts and fees paid to investment managers, Rathbones, for the management of the investment portfolio.

Reserves policy and financial position

The balance sheet shows total funds of £27.9m (31 December 2022 - £35.7m).

These funds include expendable endowment funds of £10.2m (2022 - £18.2m). Whilst the income from these funds may be used for general purposes of the charity and is held as unrestricted reserves, the Trustees' current plan is to use that income over the next three years to fund our Capacity Building programmes, and to part-fund the running costs of Access.

As detailed in note 11, the market value of the charity's investment portfolio is now £18.6m (2022 - £22.6), with the fall in value being split between unrealised losses on mark-to-market valuations of the investments, and amounts drawn down during the year for programmes.

Included in total funds is an amount of £7.9m (2022 - £8.9m) which is restricted. Because the General Dormant Asset Fund only recognises income when it is committed (expensed) there is no balance. and therefore this restricted balance only relates to the local Access Fund

- ◆ The Local Access Fund: Created from the receipt in 2018 of £10m of Dormant Asset funds for a Place Based Blended Finance programme (known as Local Access). Income recognised on receipt.
- ◆ The General Dormant Assets Fund: Created from receipt of the £30m Dormant Assets funding provided to Access in 2020 to grow our blended finance work and £23m of the additional Dormant Asset funding awarded in 2022 to fund the Cost of Living and Green Energy programmes. (Income only recognised on expenditure, therefore as at 31 December 2023 £31.6m of the £53m is treated as deferred income).

Trustees' report Year to 31 December 2023**Financial review** (continued)***Reserves policy and financial position*** (continued)

Full details of restricted funds can be found in note 15 to the accounts together with an analysis of movements in the period.

No funds have been designated, or set aside, by the trustees for specific purposes. General funds of the charity at 31 December 2023 total £9.7m (2022 - £8.5m). These funds are represented by tangible fixed assets with a net book value of £11k and with the remainder being "free reserves".

The core of Access' grant making programmes and running costs are funded via an expendable endowment of £60.65m from DCMS. The endowment will in turn continue to be spent over the next three years in the delivery of Access' programmes. Given that the endowment fund is essentially an income fund rather than that of a capital nature, a traditional reserves policy is not considered necessary. Access will receive all funding ahead of when these resources will be committed and therefore the funds are considered adequate to meet the running costs of Access as well as the grant funding of our programmes.

In the latter part of the Endowment's life, the grant commitments and running costs will be carefully managed to ensure that the remaining expendable endowment is available and sufficient to fund these commitments.

The charity's assets

Acquisitions and disposals of fixed assets during the period are recorded in the notes to the accounts.

Fundraising statement

Access does not actively solicit donations directly from the public and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. Were donations from individuals or trusts and foundations to be received, Access would ensure personal data is appropriately protected.

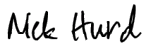
Auditors

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

DocuSigned by:
 5/8/2024
 113F3167A058489...
 Trustee

Approved by the trustees on: 18th April 2024

Independent auditors' report Year to 31 December 2023**Independent auditor's report to the members of Access – The Foundation for Social Investment****Opinion**

We have audited the financial statements of Access – The Foundation for Social Investment (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, and statements of cash flows, the principal accounting policies and notes to the financial statements. 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 31 December 2023 and of its 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 charitable company 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 charity'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 auditors' report Year to 31 December 2023**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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' report including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report including the strategic 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' report including the strategic 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, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; and
- ◆ we have not received all the information and explanations we require for our audit

Independent auditors' report Year to 31 December 2023

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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:

- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: 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), the Companies Act 2006 and the Charities Act 2011.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit, Risk and Compliance Committee.
- ◆ We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - ◇ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
 - ◇ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - ◇ Challenging assumptions and judgements made by management in its significant accounting estimates;

Independent auditors' report Year to 31 December 2023

Auditor's responsibilities for the audit of the financial statements (continued)

- ◇ Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- ◇ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

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. 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.



8 May 2024

Edward Finch (Senior Statutory Auditor)

For and on behalf of

Buzzacott LLP,

Statutory Auditor

130 Wood Street

London

EC2V 6DL

Statement of financial activities Year to 31 December 2023

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2023 Total funds £'000	2022 Total funds £'000
Income and endowments from:						
Grants and other sources for charitable activities	1	—	10,520	—	10,520	2,156
Investments	2	1,311	—	—	1,311	1,209
Total income		1,311	10,520	—	11,831	3,365
Expenditure on:						
Raising funds	3	—	—	61	61	79
Charitable activities	4					
. Capacity Building		—	—	6,415	6,415	4,777
. Blended Finance		53	11,482	1,336	12,871	4,156
. Listening, Learning & Sharing Knowledge		—	—	429	429	560
Total expenditure		53	11,482	8,231	19,766	9,572
Net income (expenditure) for the year before losses on investments	6	1,258	(962)	(8,231)	(7,935)	(6,207)
Net investment gains (losses)	11	—	—	224	224	(2,667)
Net expenditure and net movement in funds		1,258	(962)	(8,007)	(7,711)	(8,874)
Reconciliation of funds:						
Total funds brought forward		8,485	8,922	18,247	35,654	44,528
Total funds carried forward		9,743	7,960	10,240	27,943	35,654

The statement of financial activities includes all gains and losses recognised in the period.

All of the charity's activities derived from continuing operations during the above financial period.

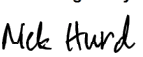
Prior year statement of financial activities Year to 31 December 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2022 Total funds £'000
<i>Income and endowments from:</i>					
Grants and other sources for charitable activities	1	—	2,156	—	2,156
Investments	2	1,209	—	—	1,209
Total income		1,209	2,156	—	3,365
<i>Expenditure on:</i>					
Raising funds	3	—	—	79	79
Charitable activities	4				
. Capacity Building		(7)	—	4,784	4,777
. Blended Finance		121	2,830	1,205	4,156
. Listening, Learning & Sharing Knowledge		—	—	560	560
Total expenditure		114	2,830	6,628	9,572
<i>Net income (expenditure) for the year before losses on investments</i>	6	1,095	(674)	(6,628)	(6,207)
<i>Net investment (losses) gains</i>	11	—	—	(2,667)	(2,667)
Net income and net movement in funds		1,095	(674)	(9,295)	(8,874)
<i>Reconciliation of funds:</i>					
Total funds brought forward		7,390	9,596	27,542	44,528
Total funds carried forward		8,485	8,922	18,247	35,654

Balance sheet as at 31 December 2023

	Notes	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Fixed assets					
Tangible assets	10		11		9
Investments	11		18,597		22,579
			18,608		22,588
Current assets					
Debtors due within one year	12	267		164	
Short-term deposits		20,494		11,645	
Cash at bank and in hand		20,705		12,214	
		41,466		24,023	
Creditors: amounts falling due within one year	13	(32,131)		(10,958)	
Net current assets			9,335		13,065
Total net assets			27,943		35,653
The funds of the charity:					
Endowment funds	14		10,240		18,247
Restricted funds	15		7,960		8,922
Unrestricted funds					
. General fund			9,732		8,476
. Tangible fixed assets fund			11		9
			27,943		35,654

Approved by the trustees and signed on their behalf by:

DocuSigned by:
 5/8/2024
 113F3167A058489...

Trustee

Approved by the trustees on: 18th April 2024

Access – The Foundation for Social Investment: A company limited by guarantee.

Company Registration No. 09153909 (England and Wales)

Statement of cash flows Year ended 31 December 2023

	Notes	2023 £'000	2022 £'000
Cash (used in) provided by operating activities	A	11,829	(11,495)
Cash provided by investing activities	B	(1,630)	6,224
Change in cash and cash equivalents in the year	C	10,199	(5,271)
Cash and cash equivalents at 1 January 2023		12,297	17,568
Cash and cash equivalents at 31 December 2023		22,496	12,297

Notes to the statement of cash flows for the year to 31 December 2023**A Reconciliation of net movement in funds to net cash provided by operating activities**

	2023 £'000	2022 £'000
Net movement in funds	(7,711)	(8,874)
Depreciation charge	5	7
(Gains) losses on investments	(224)	2,570
Investment income	(1,311)	(1,209)
(Increase) decrease in debtors	(103)	9
Increase (decrease) in creditors	21,173	(3,998)
Net cash provided by operating activities	11,829	(11,495)

B Gross cash flows from investing activities

	2023 £'000	2022 £'000
Investing activities		
Payments to acquire tangible fixed assets	7	—
Investment income	1,311	1,209
Purchase of investments	(600)	(301)
Proceeds from disposals of investments	6,502	5,395
Purchase of short-term deposits	(8,836)	(80)
Net cash provided by investing activities	(1,630)	6,224

Statement of cash flows Year ended 31 December 2023**C Analysis of changes in cash and cash equivalents**

	At 31 December 2022 £'000	Cash Flows £'000	At 31 December 2023 £'000
Cash held by investment managers	83	1,708	1,791
Cash at bank and in hand	12,214	8,491	20,705
Total	12,297	10,199	22,496

	At 31 December 2021 £'000	Cash Flows £'000	At 31 December 2022 £'000
Cash held by investment managers	1,241	(1,158)	83
Cash at bank and in hand	16,327	(4,113)	12,214
Total	17,568	(5,271)	12,297

Principal accounting policies Year ended 31 December 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of accounting

These financial statements have been prepared for the year to 31 December 2023.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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) ('Charities FRS 102 SORP 2019'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ♦ Determining the value of investment holdings, where these are unlisted.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because they consider the cash and reserves position of Access to be sufficient to support the charity for at least 12 months from the date of signing these financial statements.

Principal accounting policies Year ended 31 December 2023

Income

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably, and it is probable that the funds will be received.

Income is deferred only when the charity has to fulfil performance related conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Grants from government for Capacity Building are expendable funds that are specifically restricted to such activity. These income funds are put on deposit and invested prior to expenditure and have been included as endowment funds. In the year ended 31 December 2018 the charity received £10m of cash from dormant account funds, which was recognised in full in that year and presented within restricted funds, on the basis that it should be used to create a specific Blended Finance Programme.

In the year ended 31 December 2020 the charity became entitled to £30m of funding from the National Lottery Community Fund (NLCF). In line with the underlying grant agreement, amounts are drawn down by the charity periodically based on requests to the NLCF to support cash requirements for the subsequent period. As the funding is provided to support future activity it is initially recognised as deferred income in the balance sheet and taken to the statement of financial activities in the period in which it is applied. The income is conditional on it being used to fund expenditure furthering the social purposes or for the purpose of helping charities and social enterprises respond and recover from the Covid-19 outbreak. Income and expenditure are therefore shown in the restricted fund.

The National Lottery Community Fund Grant Budget for Growth Fund is considered a performance related grant on account of the service level agreement in place with the National Lottery Community Fund. This is included as a restricted grant on the basis that it is refundable if not applied for the purposes intended.

The Growth Fund itself is not recognised as income within the charity's financial statements as the income is not under the direct control of the charity.

In accordance with the Charities FRS 102 SORP volunteer time is not recognised.

Interest on funds held on deposit is recognised as accrued interest when the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Principal accounting policies Year ended 31 December 2023

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

- a. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising, and an allocation of support costs.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include grants payable, other direct costs and support costs.
- c. Other expenditure includes all expenditure that cannot be analysed into the above two headings.

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Office costs and property related costs are apportioned on the basis of the headcount related to the activity. Staff related costs are allocated in the same proportion as directly attributable staff costs. Included within support costs are governance costs which comprises audit fees, legal fees, recruitment expenses and trustees' remuneration and expenses reimbursed. All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets

All assets (other than IT equipment) costing more than £1,000 and with an expected useful life exceeding one year are capitalised. IT equipment costing more than £350 and with an expected useful life exceeding one year is capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|----------------------------------|-------------------------------|
| ♦ Computer and similar equipment | 33.3% per annum based on cost |
|----------------------------------|-------------------------------|

Principal accounting policies Year ended 31 December 2023

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value. The fair value of fixed asset investments quoted in an active market is determined by reference to the official exchange or clearing house settlement prices at the close of business on the balance sheet date. For fixed asset investments that do not have official exchange settlement prices, the fair value is determined by reference to third party market values on the balance sheet date, determined by independent brokers. Those holdings for which there is no active market are valued at cost less any impairment.

The charity does not acquire put options, derivatives, or other complex financial instruments.

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised. All gains (or losses) on investments are taken to the statement of financial activities as they arise. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value, or the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised investment gains and losses are credited (or debited) to the statement of financial activities in the year in which they arise.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand and short-term deposits

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than a month from the date of acquisition. Deposits for more than one month but less than one year have been disclosed as short-term deposits. Cash placed on deposit by our investment managers Rathbones is disclosed as a fixed asset investment.

Following a review of cash at bank and in hand balances during the year, a decision was made to re-present balances between cash at bank and in hand and short-term deposits in line with the above policy. The balance sheet and statement of cash flows as at 31 December 2023 and 31 December 2022 have been re-presented, with deposits for more than one month but less than one year being disclosed as short term deposits. As the total reported results remain unchanged, the re-presentation is not considered to be a restatement of prior year results.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Principal accounting policies Year ended 31 December 2023

Fund accounting

Expendable endowment funds comprise monies which the trustees have the power to convert into income. Investment income therefrom is credited to unrestricted funds and applied for general purposes in line with the requirements of the donor.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Pension costs

The charity operates a defined contribution pension scheme. The amounts charged represent the contributions payable to the scheme in the period.

Notes to the accounts Year ended 31 December 2023**1 Income from grants and other sources for charitable activities**

	Restricted funds £'000	Endowment funds £'000	2023 Total funds £'000
The National Lottery Community Fund	76	—	76
Dormant Assets	10,444	—	10,444
2023 Total funds	10,520	—	10,520
	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>2022 Total funds £'000</i>
<i>The National Lottery Community Fund</i>	<i>—</i>	<i>110</i>	<i>110</i>
<i>Dormant Assets</i>	<i>—</i>	<i>2,046</i>	<i>2,046</i>
<i>2022 Total funds</i>	<i>—</i>	<i>2,156</i>	<i>2,156</i>

2 Income from investments

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2023 Total funds £'000
Investment income receivable	859	—	—	859
Interest receivable	452	—	—	452
2023 Total funds	1,311	—	—	1,311
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>2022 Total funds £'000</i>
<i>Investment income receivable</i>	<i>1,054</i>	<i>—</i>	<i>—</i>	<i>1,054</i>
<i>Interest receivable</i>	<i>155</i>	<i>—</i>	<i>—</i>	<i>155</i>
<i>2022 Total funds</i>	<i>1,209</i>	<i>—</i>	<i>—</i>	<i>1,209</i>

Notes to the accounts Year ended 31 December 2023**3 Expenditure on raising funds**

	Endowment funds £'000	2023 Total funds £'000
Deposit bank account management	1	1
Investment manager fees	60	60
2023 Total funds	61	61
	<i>Endowment funds £'000</i>	<i>2022 Total funds £'000</i>
Deposit bank account management	1	1
Investment manager fees	78	78
2022 Total funds	79	79

4 Expenditure on charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2023 Total funds £'000
Capacity Building				
. Grants	—	—	4,075	4,075
. Project management costs	—	—	2,074	2,074
. Support costs (note 5)				
.. Office costs	—	—	65	65
.. Staff costs	—	—	184	184
. Governance costs	—	—	17	17
	—	—	6,415	6,415
Blended Finance				
Grants	—	10,960	1,197	12,157
Project management costs	—	64	139	203
. Support costs (note 5)				
.. Office costs	13	113	—	126
.. Staff costs	37	316	—	353
. Governance costs	3	29	—	32
	53	11,482	1,336	12,871
Listening, Learning and Sharing Knowledge				
. Research costs	—	—	131	131
. Support costs (note 5)				
.. Office costs	—	—	71	71
.. Staff costs	—	—	199	199
Governance costs	—	—	18	18
2023 Total funds	—	—	419	419

Notes to the accounts Year ended 31 December 2023**4 Expenditure on charitable activities (continued)**

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>2022 Total funds £'000</i>
<i>Capacity Building</i>				
. Grants	(7)	—	2,989	2,982
. Project management costs	—	—	1,600	1,600
Support costs (note 5)				
.. Office costs	—	—	53	53
.. Staff costs	—	—	133	133
. Governance costs	—	—	9	9
	(7)	—	4,784	4,777
<i>Blended Finance</i>				
Grants	—	2,291	1,202	3,493
Project management costs	—	147	3	150
Support costs (note 5)				
.. Office costs	33	106	—	139
.. Staff costs	82	267	—	349
. Governance costs	6	19	—	25
	121	2,830	1,205	4,156
<i>Listening, Learning and Sharing Knowledge</i>				
. Research costs	—	—	336	336
. Support costs (note 5)				
.. Office costs	—	—	61	61
.. Staff costs	—	—	152	152
Governance costs	—	—	11	11
	—	—	560	560
<i>2022 Total funds</i>	<i>114</i>	<i>2,830</i>	<i>6,549</i>	<i>9,493</i>

Capacity Building:

Capacity building comprises work involving the consultation, design, implementation, monitoring and evaluating of grant-based programmes to build the capacity of charities and social enterprises. This support helps charities and social enterprises to earn more of their own income and specifically develop business models which can be further supported through utilising social investment. This will help organisations become robust, competitive and sustainable by helping them to participate in the social investment market and become better-equipped to be investment-ready and secure new forms of investment.

Blended Finance:

Access manages and promotes blended finance models, which bridge the gap between charities and social enterprises on one side and social investors on the other. These include:

- ♦ The Growth Fund - a wholesale finance facility for social investors. It is operated by Access which provides support and operational services, with finance from Big Society Capital and the National Lottery Community Fund. The objective is to provide access to capital that charities and social enterprises need when they are at early stages of growth or diversifying their business models by providing loans of less than £150,000. The programme was fully committed by the end of 2022 and is now in portfolio management. Access is represented on the Joint Investment Committee which reviews and approves applications for this funding.

Notes to the accounts Year ended 31 December 2023**4 Expenditure on charitable activities** (continued)

- ◆ Local Access: The Local Access programme uses £10m from dormant assets received by Access in 2018 to blend with circa £15m of Big Society Capital funds. Access has also committed a further £8m from its endowment. At the start of 2020 partnerships six places were chosen to use these funds to create place based blended finance and enterprise development programmes to help grow their local social economies.
- ◆ Dormant Asset funded Blended Finance programmes: Access has been allocated £73m in Dormant Assets since 2020 to develop a run a range of blended finance programmes supporting access to finance for charities and social enterprises. These include the Flexible Finance programme, Enterprise Growth for Communities, the Cost of Living Social Investment programme and the Energy Efficiency Social Investment Programme.

Listening, Learning and Sharing Knowledge:

These activities enable Access to learn from our programmes and listen to the changing investment needs of the sector in order to influence our future work and that of others who support charities and social enterprises.

5 Support costs

Support costs comprise governance costs and other support costs:

	Charitable activities			
	Capacity Building £'000	Blended Finance £'000	Listening, Learning and Sharing Knowledge £'000	2023 Total funds £'000
Staff costs	184	353	199	736
Governance costs	17	32	18	67
Office costs	65	126	71	262
	266	511	288	1,065

	Charitable activities			
	Capacity Building £'000	Blended Finance £'000	Listening, Learning and Sharing Knowledge £'000	2022 Total funds £'000
Staff costs	133	349	152	634
Governance costs	9	25	11	45
Office costs	53	139	61	253
	195	513	224	932

Notes to the accounts Year ended 31 December 2023**5 Support costs** (continued)

Governance costs include recruitment and legal fees. For details of trustee remuneration for their services and reimbursement of their travel costs see note 7.

Support costs	2023 Total funds £'000	2022 Total funds £'000	Basis of apportionment
Staff costs	736	634	Estimated time spent on each of the charity's core activities
Governance costs	677	45	
Office costs	262	253	
	1,065	932	

6 Net income

This is stated after charging:

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2023 Total funds £'000
Staff costs (note 7)	37	316	383	736
Auditor's remuneration				
. Statutory audit assurance	19	—	—	19
. Other services	3	—	—	3
Depreciation	5	—	—	5

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2022 Total funds £'000
Staff costs (note 7)	82	267	285	634
Auditor's remuneration				
. Statutory audit assurance	17	—	—	17
. Other services	3	—	—	3
Depreciation	5	—	—	5

Notes to the accounts Year ended 31 December 2023**7 Employee and key management remuneration****Summary**

Staff costs during the period were as follows:

	2023 £'000	2022 £'000
Wages and salaries	590	511
Social security costs	68	62
Other pension costs	78	62
	736	635

Staff numbers

The average number of employees during the period, calculated on a full time equivalent basis, analysed by function, was as follows:

	2023 Number	2022 Number
Charitable activities		
. Capacity Building	2.4	1.8
. Blended Finance	4.5	4.6
. Listening, Learning and Sharing Knowledge	2.6	1.9
	9.5	8.3

The average number of employees employed during the year to 31 December 2023 was 9.5 (2022 - 8.3).

Higher paid employees

The number of employees earning more than £60,000 (including taxable benefits but excluding pension contributions) on an **annualised basis** are as follows:

	2023 Number	2022 Number
£70,001 - £80,000	—	1
£90,001 - £100,000	1	—
£100,001 - £110,000	1	1

The Chief Executive received actual salary of £106k (2022 - £102k) in the financial year.

Notes to the accounts Year ended 31 December 2023**7 Employee and key management remuneration** (continued)**Key management personnel**

Key management personnel comprise the trustees, the Chief Executive and the Senior Leadership Team.

The total cost of employment of the key management personnel of the charity was £410,083 (2022 - £373,501). One trustee received remuneration in respect of their services during the period totalling £6,000 (2022 - £6,000). During the period out of pocket travelling expenses amounting to £306 (2022 - £631) were reimbursed to three (2022 - four) trustees.

8 Insurance

The charity has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £20,988. (2022 - £40,797) and provides cover of up to a maximum of £2m for professional indemnity insurance and upto £5m for directors and officers liability.

9 Taxation

Access – The Foundation for Social Investment is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

	Plant, vehicles & IT equipment £'000	Total £'000
Cost or valuation		
At 31 January 2023	23	23
Additions	7	7
At 31 December 2023	<u>30</u>	<u>30</u>
Depreciation		
At 31 December 2022	14	14
Charge for period	5	5
At 31 December 2023	<u>19</u>	<u>19</u>
Net book values		
At 31 December 2023	<u>11</u>	<u>11</u>
At 31 December 2022	<u>9</u>	<u>9</u>

Notes to the accounts Year ended 31 December 2023**11 Investments**

	2023 £'000	2022 £'000
Market value of listed investments at 1 January	21,675	29,640
Additions at cost	—	—
Proceeds from disposals	(6,516)	(5,395)
Net investment gains (losses)	226	(2,570)
Market value of listed investments at 31 December	15,385	21,675
Value of unlisted investments	1,421	821
Cash held by investment managers	1,791	83
	18,597	22,579
Cost of investments at 31 December 2023	20,970	25,823

Investments held a 31 December 2023 comprised the following:

	2023 £'000
UK fixed interest	15,775
UK equity	1,031
	2022 £'000
<i>UK fixed interest</i>	21,758
<i>UK equity</i>	821

At 31 December 2023 investments included the following holdings, which represented material holdings relative to the market value of the total investment portfolio held at that date:

	2023 Market value of holding £'000	2023 Percentage of portfolio
London & Quadrant Housing	1,815	10.3%
Aegon Ethical Corporate Bond B	1,372	7.7%
Edentree Inv Mgmt	1,304	7.4%
Severn Trent Utilities Finance	1,275	7.2%
Blue Orchard Investment Mgrs	1,236	7.0%
Hightown Praetorian	1,123	6.4%
Places for People (2.875% Snr)	966	5.5%
Royal London Ethical Bond Fund	955	5.4%
Aberdeen Standard OEICV-ASI	927	5.2%

Notes to the accounts Year ended 31 December 2023**11 Investments** (continued)

	2022 Market value of holding £'000	2022 Percentage of portfolio
<i>Places for People (4.25% bonds)</i>	1,994	9.0%
<i>London & Quadrant Housing</i>	1,764	7.9%
<i>Places for People (5.09% Sec Bonds)</i>	1,624	7.3%
<i>Severn Trent Utilities Finance</i>	1,297	5.8%
<i>Aegon Ethical Corporate Bond F</i>	1,295	5.8%
<i>Edentree Investment Management</i>	1,261	5.7%
<i>Royal London Ethical Bond Fund</i>	1,195	5.4%
<i>Blue Orchid Investment Mgrs</i>	1,174	5.3%
<i>Hightown Praetorian</i>	1,173	5.3%

All investments were dealt in on a recognised stock exchange where listed.

12 Debtors

	2023 £'000	2022 £'000
Due within one year		
Accrued income	107	—
Prepayments	160	164
	267	164

13 Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	402	415
Accruals	104	381
Deferred income	31,625	10,068
Taxation and social security	—	6
Money held as agents (see below)	—	88
	32,131	10,958

The movement in deferred income was as follows:

	2023 £'000	2022 £'000
Deferred income brought forward	10,068	12,114
Amounts released in the year	(10,443)	(6,051)
Amounts deferred in the year	32,000	4,005
Deferred income carried forward	31,625	10,068

The movement in deferred income relates to distributions from the Dormant Asset scheme to support the work of Charities and Social Enterprises drawn down in the year.

Notes to the accounts Year ended 31 December 2023**13 Creditors: amounts falling due within one year** (continued)

The movement on money held as agents during the year ended 31 December 2023 was as follows:

	2023 £'000
Funds held as agents as at 1 January 2023	88
Funds received from the National Lottery Community Fund	246
Fund distributed to investors	(82)
Funds returned to the National Lottery Community Fund	(252)
Funds held as agents at 31 December 2023	—
	2022 £'000
<i>Funds held as agents as at 1 January 2022</i>	685
<i>Funds received from the National Lottery Community Fund</i>	1,272
<i>Fund distributed to investors</i>	(2,045)
<i>Funds held as agents at 31 December 2022</i>	88

Access held money received from the National Lottery Community Fund in order to distribute it to social investors who are delivering the Growth Fund. The grant income and expenditure does not belong to Access, and it is therefore not included within the SOFA. As the programme concludes any unspent funds have been returned to the NLCF reducing the balance to zero.

14 Endowment funds

	At31 December 2022 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At31 December 2023 £'000
DCMS	18,247	—	(8,007)	10,240
	18,247	—	(8,007)	10,240

	At31 December 2021 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At31 December 2022 £'000
DCMS	27,542	—	(9,295)	18,247
	27,542	—	(9,295)	18,247

The funds were established as follows:

DCMS donated an expendable endowment fund to Access to support its charitable activities, including Capacity Building, Listening, Learning and Sharing Knowledge and a contribution to running costs. The funds may be invested in order to achieve a financial return. This financial return can be applied in furtherance of Access' charitable objectives and as such are recognised as unrestricted income each year.

Notes to the accounts Year ended 31 December 2023**15 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances to be applied for specific purposes:

	At 31 December 2022 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2023 £'000
Local Access	8,922	—	(962)	7,960
The National Lottery Community Fund	—	76	(76)	—
Dormant Assets	—	10,444	(10,444)	—
Investments	—	—	—	—
	8,922	10,520	(11,482)	7,960

	At 31 December 2021 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2022 £'000
Local Access	9,596	—	(1,222)	8,374
The National Lottery Community Fund	—	110	(110)	—
Investments	—	—	—	—
Dormant Assets	—	2,046	(2,046)	—
	9,596	2,156	(6,523)	8,374

The specific purposes for which the funds are to be applied are as follows:

National Lottery Community Fund Income

This is funding for the administration and servicing of the Growth Fund. This includes the portfolio management of Growth Fund investees, provision of support and guidance to social investors including fostering a community of investees and promotion of awareness of the Programme.

Notes to the accounts Year ended 31 December 2023**16 Analysis of net assets between funds**

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2023 £'000
Fund balances at 31 December 2023 are represented by:				
Tangible fixed assets	11	—	—	11
Investments	8,357	—	10,240	18,597
Net current assets	1,375	7,960	—	9,335
Total net assets	9,743	7,960	10,240	27,943
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total 2022 £'000</i>
<i>Fund balances at 31 December 2022 are represented by:</i>				
<i>Tangible fixed assets</i>	<i>9</i>	<i>—</i>	<i>—</i>	<i>9</i>
<i>Investments</i>	<i>4,332</i>	<i>—</i>	<i>18,247</i>	<i>22,579</i>
<i>Net current assets</i>	<i>4,691</i>	<i>8,374</i>	<i>—</i>	<i>13,065</i>
<i>Total net assets</i>	<i>9,032</i>	<i>8,374</i>	<i>18,247</i>	<i>35,653</i>

	2023 £'000	2022 £'000
Total unrealised gains included above:		
On investments	(3,271)	(2,570)
Total unrealised gains at 31 December 2023	(3,271)	(2,570)
Reconciliation of movements in unrealised gains		
Unrealised losses at 1 January 2023	(2,570)	(844)
Less: in respect to disposals in the year	(927)	—
		(844)
Add: net gains arising on revaluation in the year	226	(1,726)
Total unrealised (losses) gains at 31 December 2023	(3,271)	(2,570)

17 Ultimate parent undertaking

The Oversight Trust a company incorporated in the UK with registration no. 07611016, is considered to be the ultimate parent undertaking of the charity.

Access – The Foundation for Social Investment is a charity and company limited by guarantee, with one legal member, The Oversight Trust which is also the majority shareholder of Big Society Capital.

In the event of the charity being wound up The Oversight Trust would be required to contribute an amount not exceeding £1.

Notes to the accounts Year ended 31 December 2023**18 Related party transactions**

Access leases office space from Big Society Capital, whose majority shareholder is The Oversight Trust. Rent is paid under an operating lease at a rate of £6,533 per month and this lease can be cancelled with one month's notice.

Other than those transactions described above and detailed in note 7, there were no other related party transactions during the period (2022 - none). There were no donations from trustees in the year (2022 - none).

19 Financial instruments

	2023 £'000	2022 £'000
Financial assets		
Financial assets measured at fair value through profit or loss	58,375	45,617
Financial assets measured at cost less impairment	1,421	821
	59,796	46,438
Financial liabilities		
Financial liabilities measured at amortised cost	(506)	(884)
	(506)	(884)

Financial assets measured at fair value through profit or loss comprise the majority of investments and cash at bank and in hand.

Financial assets measured at cost less impairment comprise investments which are not traded in an active market.

Financial liabilities measured at amortised cost comprise trade creditors, money held as agent and accruals.

Risks faced by financial instruments which are investments are that of volatility in fixed income markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in market sentiment within particular sectors or sub sectors.

Risks faced by financial instruments that are debt instruments and financial liabilities include counterparty risk.

20 Post-balance sheet events

There are no post balance sheet events to report.

ACCESS - THE FOUNDATION FOR SOCIAL INVESTMENT

England & Wales - Charity number 1159699

Accounts

Access – The Foundation for Social Investment

Annual Report and Accounts

31 December 2022

Charity Registration Number
1159699
Company Registration Number
09153909

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Reference and administrative details of the charity its trustees and advisers

Trustees	Nick Hurd – Chair Emilie Goodall Franz Ranero Heather Hilburn Kate Kuper Jane Ide Martin Rich (Senior Independent Trustee) Robert Williamson Susan Cooper Samantha Latouche (from 23 March 2022)
Senior leadership team	
Chief Executive	Seb Elsworth
Director of Programmes	Neil Berry
Director of Learning	Sarah Colston (To 23 September 2022)
Director of Partnerships and Advocacy	Chloe Stables
Director of Finance and Operations (job share)	Chris Coghlan, Simon Cottee (from 1 September 2022)
Principal office	New Fetter Place 8-10 New Fetter Lane London EC4A 1AZ
Telephone	020 7084 6834
Website	access-socialinvestment.org.uk
E-mail	info@access-si.org.uk
Charity registration number	1159699
Company registration number	09153909

Reference and administrative details of the charity its trustees and advisers

Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Investment advisors	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ
Bankers	Triodos Bank UK Limited Deanery Road Bristol BS1 5AS The Charity Bank Limited Fosse House 182 High Street Tonbridge TN9 1BE Reliance Bank Limited, Faith House, 23 - 24 Lovat Lane, London, EC3R 8EB Unity Trust Bank PO Box 7193, Planetary Road, Willenhall WV1 9DG

The trustees present their statutory report together with the accounts of Access – The Foundation for Social Investment for the year ended 31 December 2022.

The trustees' report has been prepared in accordance with part 8 of the Charities Act 2011 but also comprises a directors' report and a strategic report for the purpose of company legislation. The accounts have been prepared in accordance with the principal accounting policies set out therein and comply with the charitable company's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

Strategic report

Introduction

We are Access – The Foundation for Social Investment

We want to see a social investment eco-system that works for all charities and social enterprises, supporting them to meet the evolving needs of communities across the country. We work to make sure that charities and social enterprises can access the finance they need to sustain or grow their impact.

Through our programmes and our advocacy work, we are building the capacity of the social investment ecosystem to provide blended finance and boosting the resilience of charities and social enterprises through enterprise activity.

Designed to 'disrupt' the existing social investment market and widen its reach into places and communities that were previously excluded, we target those most in need of patient and flexible investment through:

- ◆ Funding blended finance and enterprise development programmes in England.
- ◆ Sharing knowledge and data and translating it into practical insight that others can use.
- ◆ Mobilising others who share our goal of making capital work for communities.

Access was created in 2015, following a realisation that sustained efforts to grow the social investment market had not resulted in meeting the needs of many charities and social enterprises.

Typically, the type of finance that is suitable for most charities and social enterprises has not been readily available either because there was too much risk, or the size of investment was too small.

Equally, support for charities and social enterprises to grow their enterprise models and access investment was patchy, under-resourced, under-developed and uncoordinated. And so, Access was created to grow the reach of social investment.

Our funding has focused on two strategic themes since our inception:

- ◆ **Demonstrating the value of blended finance** - By combining grants with repayable finance into a blended package, we enable intermediaries to provide smaller scale, higher risk, more patient and flexible, and affordable finance that meets the needs of a broad range of charities and social enterprises, particularly smaller organisations or those working in disadvantaged areas.

Strategic report (continued)

Introduction (continued)

We are Access – The Foundation for Social Investment (continued)

- ♦ **Championing enterprise development** - By supporting charities and social enterprises to develop enterprise models, we help organisations to find a more secure financial footing and build a more sustainable and resilient sector, better placed to meet the evolving needs of communities.

Our impact lies not just in the programmes we fund, but in our influence over the broader social investment ecosystem. Increasingly our focus is on sharing the learning we have generated, and mobilising action with a range of partners including social investors, foundations, and infrastructure bodies.

In our operating model, we seek to maximise opportunities to generate impact and take a “Total Impact” approach. Most significantly, we are investing our expendable endowment and any other funds received, to achieve positive social impact with a financial return, to fund our grant-making, thereby increasing the total impact made by the endowment over its lifetime.

When reviewing the aims and activities of the charity and the provision by the charity of public benefit, the trustees have had regard to the general guidance provided by the Charity Commission. The trustees believe that the aims of the charity set out above are demonstrably for the public benefit.

Activities and specific objectives

Review of performance and achievement

By October 2022, the ‘cost-of-living’ had become one of the most popular google search terms in the UK. With the impact of rising prices and surging energy costs leaving many communities – and the charities and social enterprises that support them – in crisis.

Across the voluntary sector, charities and social enterprises looked to reinvent their services and provide support where it was most needed to the communities they exist to serve. With many creating warm spaces, distributing food, and providing debt and advice services alongside their existing offer.

With rising costs and increased demands, against the background of the war in Ukraine, a continued squeeze on public sector income and a decline in household income, many organisations have struggled with their own bills and workforce challenges, throwing the importance of Access’s work and the broader social investment ecosystem into a new light and the importance of enabling charities and social enterprises to meet the evolving needs of communities across the country.

In this context, our work has continued to focus on two types of funded programmes:

Blended Finance:

A significant milestone over the last year was the commitment of a further £20m of dormant asset funds for Access to develop the Enterprise Growth for Communities programme (EGC). Enterprise Growth for Communities is designed to fill the gap which will re-emerge as the Growth Fund is fully committed, providing small-scale unsecured loans to the sector. A comprehensive design consultation process took place in the summer, and the programme launched for applications in April. To date, we have committed £19.8 million into six different funds.

Strategic report (continued)

Activities and specific objectives (continued)

Review of performance and achievement (continued)

We also made final commitments into the Flexible Finance for the Recovery programme which was originally launched in late 2020. Flexible Finance is designed to offer more patient and flexible forms of capital than that available through other programmes or the wider market, to reach a wider group of organisations unlikely to benefit from other forms of finance available. We have committed £21.1 million into 11 different funds under this programme. Seven of these funds are fully live, with £1.9m having been fully deployed to date.

By the end of 2022, the Growth Fund made over 700 investments, deploying over £48 million of loan and grant in the form of small, flexible, unsecured loans, to organisations seeking to use the funds to create more social impact. In 2022 alone, this took the form of over 100 investments, with more than £6.6 million deployed to frontline organisations. The Growth Fund is a partnership between The National Lottery Community Fund and Big Society Capital, delivered by Access through a range of social investors. It made up to £50m available to support charities and social enterprises to grow and create social impact in their communities. The Growth Fund uses a combination of grant funding, made possible thanks to National Lottery players, and loan finance from Big Society Capital and other co-investors, to address specific gaps in the social investment market.

In late 2021, Ecorys published its most recent evaluation report on the Growth Fund, examining the progress and impact of the programme up to the end of 2020. The evaluation demonstrated that the Growth Fund has succeeded in making social investment accessible to smaller organisations requiring smaller levels of finance. The report found investees had “on average, half the income and one-eighth of the assets of those who normally attract social investment” and received “much smaller-sized loans” than the wider sector.

Our “Local Access” programme also continued to evolve in six places across England (Bristol, Bradford, Gainsborough, Greater Manchester, Southwark and Redcar Cleveland and Hartlepool), where local partnerships are seeking to develop their local social economy. The programme hopes to demonstrate how a combination of enterprise support and blended social investment can help to achieve a step change in a local social economy. The programme is a partnership between Access – The Foundation for Social Investment and Big Society Capital, with approximately £33 million of funding consisting of both Access grant and BSC investment capital. Although in its early stages, the programme has the potential to deliver systemic change and we hope that the programme will deliver in time a better understanding of what works to strengthen the social economy in a place.

Enterprise Development:

The Enterprise Development Programme is an innovative programme that supports charities and social enterprises to think creatively, become more financially resilient and develop enterprise models. The programme supports charities and social enterprises looking to identify, test, implement or scale trading models, helping them to deliver their mission and become more sustainable. Taking a sector-led approach, the cost-effective programme supports small groups of organisations working in similar areas to establish new enterprise models or grow existing ones. The current cohorts cover six sectors including black and minoritised communities, the environment sector, equality, homelessness, mental health and the youth sector. In total, 278 organisations have been supported since 2018 through the six sectors, deploying a total of £6.6m in grants.

Strategic report (continued)

Activities and specific objectives (continued)

Review of performance and achievement (continued)

Work continues across our delivery partnerships to build the legacy of specific programmes and in particular to embed knowledge of enterprise models developed through the Enterprise Development Programme. Four of the six sectors have now moved into a learning and sharing phase of the programme. With the main aim of digging deeper into sector specific revenue models and sharing that learning.

The Reach Fund is a pioneering grant programme which supports charities and social enterprises to increase their resilience by taking on social investment. Between 2016 and 2022 the Reach Fund has made over 750 small grants totalling over £10m. An independent evaluation of the programme in 2021 found that for every pound spent on the Reach Fund, organisations involved were able to raise £7 in investment, with £5.2 million of grants raising £38.5 million in investments.

The fund allows a range of social investors (known as Access Points) to work with a diverse pipeline of charities and social enterprises, often small and medium-sized organisations, by supporting them to apply for grants which can then be used to obtain support around issues such as business planning, financial modelling and forecasting. The fund is designed to give the charities and social enterprises control, allowing them to either engage support providers directly and/or use the money to free up their own capacity.

In addition, The Connect Fund, our programme to strengthen the sector's infrastructure, run by the Barrow Cadbury Trust has continued to support the social investment ecosystem directly, and a number of social investment organisations have received direct grant support during the year. This included funding a project led by the Beacon Collaborative around unlocking private assets for impact investing, aimed at encouraging more high-net-worth individuals to become impact investors.

External environment and advocacy:

Our work in sharing learning and mobilising partners has focussed largely on future sources of grant subsidy. We were pleased to see the publication of the Adebowale Commission on Social Investment in early 2022 and, in particular, the call for more enterprise-centric finance. Importantly the Commission recognised the importance of sustaining and growing the field of blended finance, with the long-term supply of grant subsidy and highlighted the need for a new dedicated body to invest in black-led social enterprises.

Working with our partners across the social economy, both of these ideas have been picked up by the development of the Community Enterprise Growth Plan campaign. The campaign proposes using Dormant Assets funding to invest in community enterprise – the community-based businesses, social enterprises and trading charities taking entrepreneurial approaches to tackling social problems. This plan would use new Dormant Assets to deliver three proven interventions that reinforce each other:

1. Extending the availability of small, flexible affordable loans to smaller community enterprises through blended finance – this is using a mixture of grants and loans which has proved highly effective, particularly for enterprises in the most deprived communities.

Strategic report (continued)

Activities and specific objectives (continued)

Review of performance and achievement (continued)

2. Investing in non-profit community lenders in underserved areas to enable them to lend to the vital micro-businesses and community enterprises that struggle to access lending from mainstream banking.
3. Providing tailored business support including advice to start-ups and innovative incentives like match trading to encourage small enterprises to grow in more challenging areas.

This support would be targeted at places affected by long-term economic decline and those serving communities that have not benefited from this type of investment in the past – for example, proving start-up funding for a new social investment fund for black-led enterprises.

Access's role in 2022 has been to coordinate the Community Enterprise Growth Plan campaign and work alongside key partners to make the case for social investment continuing as a recipient cause of Dormant Assets. The campaign has support from a broad coalition including key players in the voluntary sector such as NCVO, ACEVO, ACF, CFG and NAVCA, funders such as Esmée Fairbairn, the Barrow Cadbury Trust and the Plunkett Foundation as well as business groups such as UK Finance, the British Chambers of Commerce, the Institute of Directors, and the Federation of Small Businesses.

During the consultation period that took place over the summer, the campaign coordinated responses, hosted a number of local visits with MPs and ministers and engaged in a dedicated programme of communications and public affairs activity. Much of this work was built on the publication of a review, commissioned by DCMS, to independently review the future of grant subsidy for blended finance to support the growth of charities and social enterprises.

The NPC review found an ongoing need for future public policy interventions by government to support the social investment market through the provision of grant subsidy into blended finance for VCSEs. They reflected that without subsidy, blended finance for VCSEs would not happen and outlined how the government is currently the only viable provider of subsidy for blended finance at the scale required to meet the needs of the sector. They also highlighted that blended finance is an effective mechanism for directing money towards areas of high economic deprivation.

In March 2023 the Government announced the outcome of its consultation, confirming that Social Investment Wholesalers would continue to be a cause which could receive Dormant Asset funding in England. The Government also announced a further distribution of Dormant Assets from the current scheme to Access of £23m to support the sector address challenges related to the Cost of Living crisis and support energy resilience. A process to determine further allocations from the expanded scheme is due to take place later in 2023.

Late summer also saw the launch of the Enterprise Grants Taskforce – a group of funders and foundations committed to exploring how enterprise grants can be better utilised to boost enterprise in the voluntary sector. Led by a steering group that includes the School of Social Entrepreneurs (SSE), the Association of Charitable Foundations (ACF) and Access, the task force will aim to “define the scope and course” of enterprise grants across the UK, while identifying best practice and setting up plans to scale the approach. Incoming chair Anna de Pulford, Director of the Dulverton Trust set out her aspirations for the taskforce arguing that ‘all funders should be thinking about enterprise.’

During the year, we have also been actively supporting the development of The National Lottery Community Fund's new strategy and have provided thoughts on the role they can play in enterprise grant-making.

Strategic report (continued)

Activities and specific objectives (continued)

Review of performance and achievement (continued)

Equity, diversity, and inclusion:

In March 2022 we became a signatory to the Diversity Forum Manifesto 2.0. That kicked off a process of developing a comprehensive new organisational-wide equity, diversity and inclusion policy and action which was agreed by the board in July. The policy brings together several existing strands of work as well as identifying several areas for development including Access's internal practice. In early 2023 Access undertook a comprehensive externally facilitated diversity audit covering the composition of the board, investment committee and staff team. The outcome of this will be published shortly, and we plan to use it to promote further dialogue with our stakeholders on their plans in this area.

Our work in the Equality and Black and Minoritised Communities strands of our Enterprise Development Programme (EDP) continues as planned with new cohorts of charities and social enterprises being supported, and greater insight being gathered on the underlying business models in each sector.

Partners in the Flexible Finance for the Recovery Programme continue to make progress in launching their funds and reaching communities which have not benefitted from social investment previously. This will significantly accelerate over the year ahead.

Other significant achievements during the year include:

- ◆ In late summer we also published an update on Access's progress since the publication of the independent quadrennial review, commissioned by the Oversight Trust.
- ◆ We have also worked closely with Big Society Capital and the Impact Investing Institute on a policy paper articulating the relationship between blended finance and other tools of subsidy including guarantees and tax reliefs.
- ◆ Chief Executive, Seb Elsworth, spoke at the Social Enterprise World Forum in Brisbane, locally hosted by Whitebox Enterprises. The Australian government has commissioned a taskforce to build the social investment market in Australia.

Future objectives and planned activities

The work to define Access's longer term impact on the Social Investment ecosystem informed the new strategic plan which the board adopted in the Spring of 2022. This plan focuses to a much greater extent on the role of Access in a broader ecosystem rather than simply the impact of our programmes, and the measures of success include the securing of long-term sources of subsidy for blended finance.

- ◆ Priorities for the year ahead are being significantly shaped by the outcome of the Dormant Asset consultation which was announced in March 2023. The decision has secured Access's longer term future beyond an initially planned and resourced ten year life. We will be working closely with key partners from the Community Enterprise Growth Plan coalition, and across the sector, to define proposals to inform further allocations of Dormant Assets. This will include defining priorities for future blended finance programmes ensuring the supply of flexible and affordable products, and addressing equity challenges in accessing finance. We will also explore opportunities to support charities and social enterprises in the Green Finance space and will continue to respond to the impact of inflation, cost of living challenges and rising interest rates on our work.

- ◆ As part of our new £23m Dormant Asset distribution we will work to deliver a pilot Energy Resilience Fund, in partnership with Key Fund, Big Society Capital, Power to Change and others, and seek to further scale this support across the sector. The fund aims to better support social sector organisations to navigate the increases in energy costs.
- ◆ Our current programme work will continue to evolve as we approach the end of two significant programmes by March 2024 –infrastructure support via the Connect Fund and our sub-sectoral Enterprise Development Programme. Work to reflect on and review these will be carried out alongside the ongoing delivery other active programmes – Reach Fund, Local Access, Flexible Finance and Enterprise Growth for Communities.

Governance, structure and management

Governance

The names of the trustees who served during the period are set out as part of the reference and administrative details on page one of this annual report and accounts. Brief biographical details on each of the current trustees can be found on our website.

The trustees are committed to ensuring that the Board has the combination of skills necessary to support the effective provision of access to capital to charities and social enterprises. In particular, the Board of Trustees includes skills and expertise in the following areas: social investment, community regeneration and social enterprise, business, and financial and risk management.

The Board has fully adopted the Charity Governance Code and ensures compliance through regular review. The Board of Trustees reviews its own performance regularly and acts on any feedback received as a result of the evaluation process. At the end of 2021, the Senior Independent Trustee, Martin Rich, undertook a series of interviews with each trustee to assess the performance of the board. The outcomes of this exercise were positive with a small number of recommendations taken forward. An independent review planned for 2022 was deferred on the advice of our external consultants for a year while we incorporated the recommendations from the internal review. This independent review will now take place in 2023.

Key management personnel

The key management personnel of Access comprise the trustees, the Chief Executive and senior leadership team. Remuneration is overseen by the Audit, Risk and Compliance Committee (ARCC). In order to ensure that the remuneration policy reflects the charitable sector that it serves, Access staff receive no more than an annual inflationary increase, subject to affordability and in line with relevant benchmarks and reflective of the conditions in the social sector. An exception will be made if a role has materially changed or the market rate has increased (as confirmed by external benchmarking), in which case a pay increase beyond the rate of inflation may be considered.

In addition to the annual cost of living pay review, in December 2022 an exceptional one-off payment was made to all staff to recognise the particularly high increase in domestic energy prices.

Statement of trustees' responsibilities

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and 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 income and expenditure of the charity for that period.

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

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 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the accounts on the 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 accounts 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.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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.

Structure and management reporting

Access is a charity and company limited by guarantee, with one legal member, the Oversight Trust. The Oversight Trust is also the majority shareholder of Big Society Capital, and the sole legal member of Fair4All Finance and the Youth Futures Foundation. As the sole legal member, the Oversight Trust agrees to contribute £1 in the event of the charity winding up.

Access is governed by the Board of Trustees. The Board of Trustees has six scheduled meetings a year, including an annual strategic away day. Other meetings are called as required. The trustees delegate the day-to-day management of Access to the Executive team.

Governance, structure and management (continued)

Structure and management reporting (continued)

The Audit, Risk and Compliance Committee (ARCC) is one of two formal subcommittees of the Board, comprising four trustees. The ARCC is responsible for the relationship with the auditors, ensuring the integrity of Access' accounting and financial practices, examining and reviewing all systems and methods of control including financial and risk management, all HR matters and policies and ensuring that Access complies with all aspects of the law, relevant regulation and good practice. The ARCC has four scheduled meetings a year and other meetings are called as required.

The Endowment Investment Committee (EIC) comprises two trustees and two external members. The EIC is responsible for the relationship with our investment managers (Rathbones), and its role is to monitor both the social impact and financial performance of the social investments that are being managed on Access' behalf by Rathbones from the endowment funds provided by DCMS and the treasury management of the dormant account funds. The EIC has four scheduled meetings a year and other meetings are called as required.

Risk management

To ensure that risks are managed and mitigated, a risk register is in place, which enables Access to identify and evaluate both strategic and operational risks, and the actions needed to mitigate these risks, taking into account existing and proposed controls. The ARCC reviews the risk register on a quarterly basis.

The key strategic risks which the organisation is currently managing relate to the longer-term legacy of Access and that, in order to achieve its mission, the foundation needs to ensure that it is influencing the broader social investment ecosystem so that key aspects of its work can continue. The refreshed strategy and the renewed focus on learning and advocacy work are a key mitigant. A major focus of the organisation's work in the year ahead will be securing further resources from dormant assets for blended finance now that the Government consultation has concluded that Social Investment Wholesalers remain an eligible cause.

The ARCC is also actively managing risks relating to specific programmes.

Grant making policy

Access is able to award grants in a variety of ways, namely via the blended finance programmes, Capacity Building programmes or for research work as part of the Learning, Listening and Sharing Knowledge strand. In awarding grants, we apply the following principles:

- ◆ The ultimate objective of the grant should be to increase access to finance for charities and social organisations and/or to support the growth of the social investment market.
- ◆ The grant may be used by recipients to fund or support charities and social organisations directly or to enable other intermediaries to provide appropriate funding or support to such charities or social organisations.
- ◆ The applicant will need to evidence the use of grant in increasing the efficiency and effectiveness of charities and social organisations.

Grant making policy (continued)

We do not consider applications for any activities which are outside the Access objects; any activities which are not considered charitable in accordance with the laws of England and Wales; any political or commercial appeals; and any to the benefit of the trustees or anyone related to the trustees.

Applications must be submitted in accordance with our stated programme areas and will be subject to due diligence and a multi-stage decision making process. Grant recipients will be subject to monitoring, feedback requirements and evaluation. The terms of such monitoring and evaluation will vary depending on the type of funding and the programme area funded and details will be set out in the agreement between the recipient and Access.

Investments and Treasury

Endowment

The Capacity Building programmes, Listening, Learning and Sharing Knowledge (Market Championing) work, and a portion of Access' running costs are funded via an expendable endowment, granted by DCMS. Our mandate is to invest our expendable endowment to achieve positive social impact with a financial return to fund our grant making, thereby increasing the total impact made by the endowment over its lifetime. This is part of our "Total Impact" approach. An Investment Policy Statement (IPS) has been approved specifically for the endowment and the endowment's investments are managed in line with that policy.

Rathbones were appointed as the endowment's asset managers in early 2016 and at year end, they had £22.3m (2021 - £31.4m) of its assets under management. Rathbones manages our endowment in accordance with the endowment IPS. The IPS details the financial and social objectives of the portfolio, as well as any constraints that Rathbones needs to adhere to. It includes guidance on the permitted investments, liquidity requirements, risk management, benchmarking considerations, roles and responsibilities and reporting requirements.

In terms of the impact that the portfolio will seek to achieve, we have adopted a tiered view of the varying degrees of impact. In descending order, Access invests in:

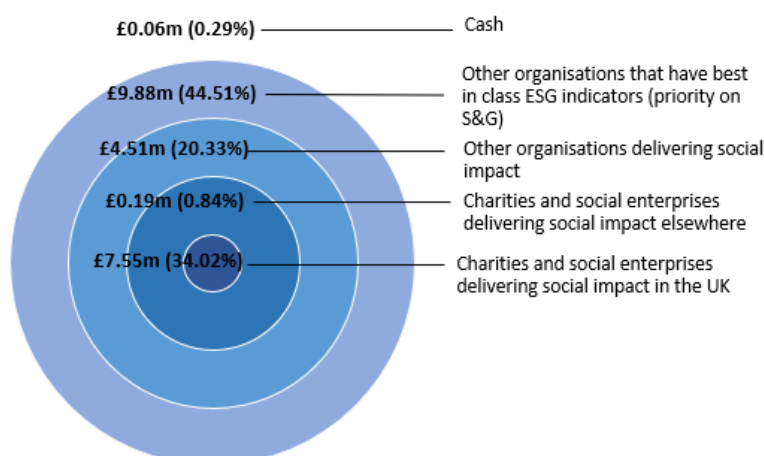
1. Charities and social enterprises delivering social impact in the UK – at 31 December 2022 this was 34.02% of total investments (Tier 1 or referred to as the "bull's eye")
2. Charities and social enterprises delivering social impact elsewhere – at 31 December 2022 this was 0.84% of total investments (Tier 2)
3. Other organisations delivering social impact – at 31 December 2022 this was 20.33% of total investments (Tier 3)
4. Other organisations that have best in class Environmental, Social and Governance (ESG) indicators (with a priority on S&G) – at 31 December 2022 this was 44.51% of total investments (Tier 4)
5. Cash – 0.29%

Investments and Treasury (continued)

Endowment (continued)

This is best represented by a diagram shown below:

Portfolio mapped to the Bull's eye framework as at 31 December 2022



Impact reports are published on our website. The latest report is for the period to December 2021. Future reports will be published annually for each calendar year.

Capital Preservation Funds

A fund is managed for capital preservation when the Board is of the view that the funds should only be placed on deposit with suitable banks and that it is not appropriate to invest these funds partly or fully in a bond portfolio or other financial products.

As 31 December 2022 there were two Capital Preservation Funds:

- ◆ The Local Access Fund; and
- ◆ The Dormant Assets Fund.

An Investment Policy Statement (IPS) has been approved specifically for capital preservation funds and these funds are managed in line with that policy. The primary investment objective is to invest each Fund using a “total impact” approach, achieving both financial and social impact, in line with how Access invests its expendable endowment. The investment of these funds is managed in house.

The financial objective is to preserve the capital of each fund prior to expenditure. A financial return in line with the appropriate cash deposit rates is targeted over the period that the capital is invested and with a liquidity profile that is appropriate for the time horizon. This was met during the year. The capital is held with banks that best align with the “Bulls Eye” approach developed by Access subject to the opportunity set and consideration of risk factors.

Investment performance - Endowment

Rathbones continued to act as our asset manager throughout 2022. At 31 December 2022, the market value of these investments stood at £22.3m (2021, £31.4m) which included cash held of £0.06m (2021, £0.06m).

- £1.2m). The cost of these investments amounted to £27.6m, and there was an unrealised loss on the change in market value of £5.3m. Income from this investment portfolio amounted to £9.03m.

Investments and Treasury (continued)

Investment performance - Endowment (continued)

The investment portfolio achieved a Time Weighted Return (TWR) for 2022 of -5.68%. (2021 - 0.62%) The target TWR per year is 2-3%. With the backdrop of Covid and rising interest rates affecting the bond market, the trustees are satisfied with the performance of the investments, both in terms of financial return and social impact generated.

In relation to the management of the spend-down endowment, the Endowment Investment Committee (EIC) closely monitor risks, and work with Rathbones, the charity's asset managers, in seeking to mitigate those risks.

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised.

To mitigate credit risk during the last year the EIC worked closely with Rathbones to monitor the health of the underlying holdings in the portfolio, including through reviewing reports directly from the bond issuers and analysing wider market information.

Liquidity risk has also been closely monitored during the course of the year through regular reforecasting of anticipated programme spend, and modelling of any future sales of bonds required to meet that spend. The EIC and board have discussed strategies for reducing illiquidity in the portfolio towards the end of the life of the endowment (from 2024 onwards) and continue to monitor the holdings to reduce liquidity risk in the longer term.

Financial review

Results for the period

The Statement of Financial Activities (SOFA) shows that Access's result for the year, before investment gains and losses, was a deficit of £6.2m (2021 - deficit for the year of £5.5m). The result reflects the spend-down of our endowment in accordance with our mission and the utilisation of restricted grants received, offset by grants received and investment income from the endowment.

Income from grants in 2022 was £2.15m (2021 - £6.17m). . As explained in the notes to the financial statements, income from Dormant Asset funding is being released on a performance basis - i.e., in the period in which it is applied. The 2021 grant income includes recognition of £6.05m of Dormant Asset income.

Other sources of income include investment income of £1.21m (2021 - £1.24m)

The charity's endowment will be spent over the next three years on our Capacity Building and Listening, Learning and Sharing Knowledge work. It will also be used to part fund the running costs of Access.

The Local Access Fund covers part of the cost of the Local Access (place-based) Blended Finance programme developed with Big Society Capital. The balance of that programme is funded by £8m of Access's endowment. The original £10m restricted fund is expected to be spent over the next three to five years. The relevant portion of support costs are being charged to the £10m fund.

Financial review (continued)

Results for the period (continued)

During the year to 31 December 2022 expenditure on charitable activities totalled £10.2m (2021 - £12.8m) made up as follows:

	2022 £m	2021 £m
Capacity Building	4.7	4.7
Blended Finance	4.2	7.6
Listening Learning and Sharingknowledge	0.6	0.5
	9.5	12.8

In addition to grants, these costs include project management costs which relate to the functioning of robust and effective programmes and include the costs of partner organisations administering the programmes on our behalf.

Our office running costs are relatively low due to the fact that we are a lean organisation and work through partnerships. The average FTE remained flat in 2022 at 8.3 (2021 - 8.3).

Staff costs for the year were £634k (2021 - £569k).

Costs were incurred of £79k (2021 - £99k) on raising funds, which relate to the fees paid for the management of the short term deposit accounts and fees paid to investment managers, Rathbones, for the management of the investment portfolio.

Reserves policy and financial position

The balance sheet shows total funds of £35.7m (31 December 2021 - £44.5m).

These funds include expendable endowment funds of £18.25m (2021 - £27.54m). Whilst the income from these funds may be used for general purposes of the charity and is held as unrestricted reserves, the Trustees' current plan is to use that income over the next three years to fund our Capacity Building programmes, and to part-fund the running costs of Access.

As detailed in note 11, the market value of the charity's investment portfolio is now £22.6m (2021 - £31.4m), with the fall in value being split between unrealised losses on mark-to-market valuations of the investments, and amounts drawn down during the year for programmes.

Included in total funds is an amount of £8.9m (2021 - £9.6m) which is restricted. This consists of two funds:

- ◆ The Local Access Fund: Created from the receipt in 2018 of £10m of Dormant Asset funds for a Place Based Blended Finance programme (known as Local Access).
- ◆ The Dormant Assets Fund: Created from receipt of an initial £21m tranche of the £30m Dormant Assets provided to Access in 2020 funding to grow our blended finance work. (As at 31 December 2022 £10.1m of the £21m is treated as deferred income).

Financial review (continued)

Reserves policy and financial position (continued)

Full details of restricted funds can be found in note 15 to the accounts together with an analysis of movements in the period.

No funds have been designated, or set aside, by the trustees for specific purposes. General funds of the charity at 31 December 2022 total £8.5m (2021 - £7.4m). These funds are represented by tangible fixed assets with a net book value of £9k and with the remainder being “free reserves”.

The core of Access' grant making programmes and running costs are funded via an expendable endowment of £60.65m from DCMS. The endowment will in turn continue to be spent over the next three years in the delivery of Access' programmes. Given that the endowment fund is essentially an income fund rather than that of a capital nature, a traditional reserves policy is not considered necessary. Access will receive all funding ahead of when these resources will be committed and therefore the funds are considered adequate to meet the running costs of Access as well as the grant funding of our programmes.

In the latter part of the Endowment's life, the grant commitments and running costs will be carefully managed to ensure that the remaining expendable endowment is available and sufficient to fund these commitments.

The charity's assets

Acquisitions and disposals of fixed assets during the period are recorded in the notes to the accounts.

Fundraising statement

Access does not actively solicit donations directly from the public and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. Were donations from individuals or trusts and foundations to be received, Access would ensure personal data is appropriately protected.

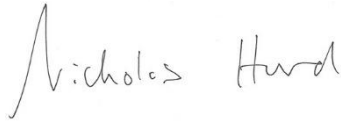
Auditors

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

A handwritten signature in black ink that reads "Nicholas Hurd". The signature is written in a cursive style, with the first name "Nicholas" and the surname "Hurd" clearly legible.

N. Hurd

Trustee

Approved by the trustees on: 19 April 2023

Independent auditor's report to the members of Access – The Foundation for Social Investment

Opinion

We have audited the financial statements of Access – The Foundation for Social Investment (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, and statements of cash flows, the principal accounting policies and notes to the financial statements. 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 31 December 2022 and of its 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 charitable company 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 charity'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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' report including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report including the strategic 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' report including the strategic 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, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; and
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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:

- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: 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), the Companies Act 2006 and the Charities Act 2011.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit, Risk and Compliance Committee.
- ◆ We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - ◇ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
 - ◇ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - ◇ Challenging assumptions and judgements made by management in its significant accounting estimates;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◇ Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- ◇ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

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. 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.



30 June 2023

Edward Finch (Senior Statutory Auditor)

For and on behalf of

Buzzacott LLP,

Statutory Auditor

130 Wood Street

London

EC2V 6DL

Statement of financial activities Year to 31 December 2022

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2022 Total funds £'000	2021 Total funds £'000
Income and endowments from:						
Grants and other sources for charitable activities	1	—	2,156	—	2,156	6,167
Investments	2	1,209	—	—	1,209	1,243
Total income		1,209	2,156	—	3,365	7,410
Expenditure on:						
Raising funds	3	—	—	79	79	99
Charitable activities	4					
. Capacity Building		(7)	—	4,784	4,777	4,663
. Blended Finance		121	2,830	1,205	4,156	7,570
. Listening, Learning & Sharing Knowledge		—	—	560	560	535
Total expenditure		114	2,830	6,628	9,572	12,867
Net income (expenditure) for the year before losses on investments	6	1,095	(674)	(6,628)	(6,207)	(5,457)
Net investment (losses) gains	11	—	—	(2,667)	(2,667)	(901)
Net income and net movement in funds		1,095	(674)	(9,295)	(8,874)	(6,358)
Reconciliation of funds:						
Total funds brought forward		7,390	9,596	27,542	44,528	50,886
Total funds carried forward		8,485	8,922	18,247	35,654	44,528

The statement of financial activities includes all gains and losses recognised in the period.

All of the charity's activities derived from continuing operations during the above financial period.

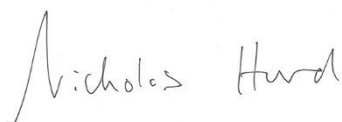
Prior year statement of financial activities Year to 31 December 2021

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 Total funds £'000
<i>Income and endowments from:</i>					
Grants and other sources for charitable activities	1	—	6,167	—	6,167
Investments	2	1,237	6	—	1,243
Total income		1,237	6,173	—	7,410
<i>Expenditure on:</i>					
Raising funds	3	—	—	99	99
Charitable activities	4				
. Capacity Building		—	—	4,663	4,663
. Blended Finance		254	6,523	793	7,570
. Listening, Learning & Sharing Knowledge		—	—	535	535
Total expenditure		254	6,523	6,090	12,867
<i>Net income (expenditure) for the year before losses on investments</i>	6	983	(350)	(6,090)	(5,457)
<i>Net investment (losses) gains</i>	11	—	—	(901)	(901)
Net income and net movement in funds		983	(350)	(6,991)	(6,358)
<i>Reconciliation of funds:</i>					
Total funds brought forward		6,407	9,946	34,533	50,886
Total funds carried forward		7,390	9,596	27,542	44,528

Balance sheet as at 31 December 2022

	Notes	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Fixed assets					
Tangible assets	10		9		17
Investments	11		22,579		31,402
			<u>22,588</u>		<u>31,419</u>
Current assets					
Debtors due within one year	12	164		173	
Cash at bank and in hand		23,860		27,893	
		<u>24,023</u>		<u>28,066</u>	
Creditors: amounts falling due within one year	13	(10,958)		(14,957)	
Net current assets			<u>13,065</u>		<u>13,109</u>
Total net assets			<u>35,654</u>		<u>44,528</u>
The funds of the charity:					
Endowment funds	14		18,247		27,542
Restricted funds	15		8,922		9,596
Unrestricted funds					
. General fund			8,476		7,373
. Tangible fixed assets fund			9		17
			<u>35,654</u>		<u>44,528</u>

Approved by the trustees and signed on their behalf by:



N. Hurd
Trustee

Approved by the trustees on: 19 April 2023

Access – The Foundation for Social Investment: A company limited by guarantee.

Company Registration No. 09153909 (England and Wales)

Statement of cash flows Year ended 31 December 2022

	Notes	2022 £'000	2021 £'000
Cash (used in) provided by operating activities	A	(11,495)	(11,926)
Cash provided by investing activities	B	6,604	5,785
Change in cash and cash equivalents in the year	C	(4,891)	(6,141)
Cash and cash equivalents at 1 January 2022		29,134	35,275
Cash and cash equivalents at 31 December 2022		24,243	29,134

Notes to the statement of cash flows for the year to 31 December 2022

A Reconciliation of net movement in funds to net cash provided by operating activities

	2022 £'000	2021 £'000
Net movement in funds	(8,874)	(6,358)
Depreciation charge	7	2
(Gains) losses on investments	2,570	844
Investment income	(1,209)	(1,243)
Decrease (increase) in debtors	9	100
Increase in creditors	(3,998)	(5,271)
Net cash provided by operating activities	(11,495)	(11,926)

B Gross cash flows from investing activities

	2022 £'000	2021 £'000
Investing activities		
Payments to acquire tangible fixed assets	—	(17)
Investment income	1,209	1,243
Purchase of investments	(300)	(2,608)
Proceeds from disposals of investments	5,395	7,167
Net cash provided by investing activities	6,304	5,785

Statement of cash flows Year ended 31 December 2022

C Analysis of changes in cash and cash equivalents

	At 31 December 2021 £'000	Cash Flows £'000	At 31 December 2022 £'000
Cash held by investment managers	1,241	(1,158)	83
Cash at bank and in hand	27,893	(4,033)	23,860
Total	29,134	(5,191)	23,943

	At 31 December 2020 £'000	Cash Flows £'000	At 31 December 2021 £'000
Cash held by investment managers	4,483	(3,242)	1,241
Cash at bank and in hand	30,792	(2,899)	27,893
Total	35,275	(6,141)	29,134

Principal accounting policies Year ended 31 December 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of accounting

These financial statements have been prepared for the year to 31 December 2022.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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) ('Charities FRS 102 SORP 2019'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ♦ Determining the value of investment holdings, where these are unlisted.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because they consider the cash and reserves position of Access to be sufficient to support the charity for at least 12 months from the date of signing these financial statements.

Principal accounting policies Year ended 31 December 2022

Income

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably, and it is probable that the funds will be received.

Income is deferred only when the charity has to fulfil performance related conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Grants from government for Capacity Building are expendable funds that are specifically restricted to such activity. These income funds are put on deposit and invested prior to expenditure and have been included as endowment funds. In the year ended 31 December 2018 the charity received £10m of cash from dormant account funds, which was recognised in full in that year and presented within restricted funds, on the basis that it should be used to create a specific Blended Finance Programme.

In the year ended 31 December 2020 the charity became entitled to £30m of Dormant Asset funding distributed by the National Lottery Community Fund (NLCF). A further £20m was made available to Access in the year ending 31 December 2022. In line with the underlying grant agreement, amounts are drawn down by the charity periodically based on requests to the NLCF to support cash requirements for the subsequent period. As the funding is provided to support future activity it is initially recognised as deferred income in the balance sheet and taken to the statement of financial activities in the period in which it is applied. The income is conditional on it being used to fund expenditure furthering the social purposes or for the purpose of helping charities and social enterprises respond and recover from the Covid-19 outbreak. Income and expenditure are therefore shown in the restricted fund.

The National Lottery Community Fund Grant Budget for Growth Fund is considered a performance related grant on account of the service level agreement in place with the National Lottery Community Fund. This is included as a restricted grant on the basis that it is refundable if not applied for the purposes intended.

The Growth Fund itself is not recognised as income within the charity's financial statements as the income is not under the direct control of the charity.

In accordance with the Charities FRS 102 SORP volunteer time is not recognised.

Interest on funds held on deposit is recognised as accrued interest when the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Principal accounting policies Year ended 31 December 2022

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

- a. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising, and an allocation of support costs.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include grants payable, other direct costs and support costs.
- c. Other expenditure includes all expenditure that cannot be analysed into the above two headings.

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Office costs and property related costs are apportioned on the basis of the headcount related to the activity. Staff related costs are allocated in the same proportion as directly attributable staff costs. Included within support costs are governance costs which comprises audit fees, legal fees, recruitment expenses and trustees' remuneration and expenses reimbursed. All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets

All assets (other than IT equipment) costing more than £1,000 and with an expected useful life exceeding one year are capitalised. IT equipment costing more than £350 and with an expected useful life exceeding one year is capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|----------------------------------|-------------------------------|
| ♦ Computer and similar equipment | 33.3% per annum based on cost |
|----------------------------------|-------------------------------|

Principal accounting policies Year ended 31 December 2022

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value. The fair value of fixed asset investments quoted in an active market is determined by reference to the official exchange or clearing house settlement prices at the close of business on the balance sheet date. For fixed asset investments that do not have official exchange settlement prices, the fair value is determined by reference to third party market values on the balance sheet date, determined by independent brokers. Those holdings for which there is no active market are valued at cost less any impairment.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised. All gains (or losses) on investments are taken to the statement of financial activities as they arise. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value, or the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised investment gains and losses are credited (or debited) to the statement of financial activities in the year in which they arise.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than a month from the date of acquisition. Deposits for more than one month but less than one year have been disclosed as short term deposits. Cash placed on deposit by our investment managers Rathbones is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Expendable endowment funds comprise monies which the trustees have the power to convert into income. Investment income therefrom is credited to unrestricted funds and applied for general purposes in line with the requirements of the donor.

Principal accounting policies Year ended 31 December 2022

Fund accounting (continued)

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Pension costs

The charity operates a defined contribution pension scheme. The amounts charged represent the contributions payable to the scheme in the period.

1 Income from grants and other sources for charitable activities

	Restricted funds £'000	Endowment funds £'000	2022 Total funds £'000
The National Lottery Community Fund	110	—	110
Dormant Assets	2,046	—	2,046
2022 Total funds	2,156	—	2,156

	Restricted funds £'000	Endowment funds £'000	2021 Total funds £'000
<i>The National Lottery Community Fund</i>	116	—	116
<i>Dormant Assets</i>	6,051	—	6,051
2021 Total funds	6,167	—	6,167

2 Income from investments

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2022 Total funds £'000
Investment income receivable	1,054	—	—	1,054
Interest receivable	155	—	—	155
2022 Total funds	1,209	—	—	1,209

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 Total funds £'000
<i>Investment income receivable</i>	1,200	—	—	1,200
<i>Interest receivable</i>	37	6	—	43
2021 Total funds	1,237	6	—	1,243

3 Expenditure on raising funds

	Endowment funds £'000	2022 Total funds £'000
Deposit bank account management	1	1
Investment manager fees	78	78
2022 Total funds	79	79
	Endowment funds £'000	2021 Total funds £'000
<i>Investment manager fees</i>	99	99

4 Expenditure on charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2022 Total funds £'000
Capacity Building				
. Grants	(7)	—	2,989	2,982
. Project management costs	—	—	1,600	1,600
. Support costs (note 5)				
.. Office costs	—	—	53	53
.. Staff costs	—	—	133	133
. Governance costs	—	—	9	9
	(7)	—	4,784	4,777
Blended Finance				
Grants	—	2,291	1,202	3,493
Project management costs	—	147	3	150
. Support costs (note 5)				
.. Office costs	33	106	—	139
.. Staff costs	82	267	—	349
. Governance costs	6	19	—	25
	121	2,830	1,205	4,156
Listening, Learning and Sharing Knowledge				
. Research costs	—	—	336	336
. Support costs (note 5)				
.. Office costs	—	—	61	61
.. Staff costs	—	—	152	152
Governance costs	—	—	11	11
	—	—	560	560
2022 Total funds	114	2,830	6,549	9,493

4 Expenditure on charitable activities (continued)

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 Total funds £'000
<i>Capacity Building</i>				
. Grants	—	—	3,199	3,199
. Project management costs	—	—	1,264	1,264
Support costs (note 5)				
.. Office costs	—	—	36	36
.. Staff costs	—	—	148	148
. Governance costs	—	—	16	16
	<u>—</u>	<u>—</u>	<u>4,663</u>	<u>4,663</u>
<i>Blended Finance</i>				
Grants	—	5,038	641	5,679
Project management costs	—	1,362	152	1,514
Support costs (note 5)				
.. Office costs	46	22	—	68
.. Staff costs	188	91	—	279
. Governance costs	20	10	—	30
	<u>254</u>	<u>6,523</u>	<u>793</u>	<u>7,570</u>
<i>Listening, Learning and Sharing Knowledge</i>				
. Research costs	—	—	343	343
. Support costs (note 5)				
.. Office costs	—	—	35	35
.. Staff costs	—	—	142	142
Governance costs	—	—	15	15
	<u>—</u>	<u>—</u>	<u>535</u>	<u>535</u>
2021 Total funds	254	6,523	5,991	12,768

Capacity Building:

Capacity building comprises work involving the consultation, design, implementation, monitoring and evaluating of grant-based programmes to build the capacity of charities and social enterprises. This support helps charities and social enterprises to earn more of their own income and specifically develop business models which can be further supported through utilising social investment. This will help organisations become robust, competitive and sustainable by helping them to participate in the social investment market and become better-equipped to be investment-ready and secure new forms of investment.

Blended Finance:

Access manages and promotes blended finance models, which bridge the gap between charities and social enterprises on one side and social investors on the other. These include:

- ♦ The Growth Fund - a wholesale finance facility for social investors. It is operated by Access which provides support and operational services, with finance from Big Society Capital and the National Lottery Community Fund. The objective is to provide access to capital that charities and social enterprises need when they are at early stages of growth or diversifying their business models by providing loans of less than £150,000. Access is represented on the Joint Investment Committee which reviews and approves applications for this funding.

4 Expenditure on charitable activities (continued)

- ◆ Local Access: The Local Access programme uses £10m from Dormant Assets received by Access in 2018 to blend with circa £15m of Big Society Capital funds. Access has also committed a further £8m from its endowment. At the start of 2020 partnerships six places were chosen to use these funds to create place based blended finance and enterprise development programmes to help grow their local social economies. During 2021 the first operational grants were issued. This was made available to Access under a different grant agreement from the general Dormant Asset funds and therefore is treated as a separate restricted fund.
- ◆ Dormant Asset Funds: Access has received two further allocations of Dormant Asset Funding in 2020 and 2022 totalling £50m. These funds are being used to enable social investors to offer a wider range of more patient and flexible blended finance products as well as to continue providing small scale unsecured loans. These funds also supported the provision of emergency support to the sector during the COVID pandemic.

Listening, Learning and Sharing Knowledge:

These activities enable Access to learn from our programmes and listen to the changing investment needs of the sector in order to influence our future work and that of others who support charities and social enterprises.

5 Support costs

Support costs comprise governance costs and other support costs:

	Charitable activities			2022 Total funds £'000
	Capacity Building £'000	Blended Finance £'000	Listening, Learning and Sharing Knowledge £'000	
Staff costs	134	348	152	634
Governance costs	6	19	20	45
Office costs	33	106	114	253
	173	473	286	932

	Charitable activities			2021 Total funds £'000
	Capacity Building £'000	Blended Finance £'000	Listening, Learning and Sharing Knowledge £'000	
Staff costs	148	278	142	568
Governance costs	36	68	35	139
Office costs	16	30	16	62
	200	376	193	769

5 Support costs (continued)

Governance costs include recruitment and legal fees. For details of trustee remuneration for their services and reimbursement of their travel costs see note 7.

Support costs	2022 Total funds £'000	2021 Total funds £'000	Basis of apportionment
Staff costs	634	569	Estimated time spent on each of the charity's core activities
Governance costs	45	61	
Office costs	253	139	
	932	769	

6 Net income

This is stated after charging:

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2022 Total funds £'000
Staff costs (note 7)	82	267	285	634
Auditor's remuneration				
. Statutory audit assurance	20	—	—	20
Depreciation	5	—	—	5

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>2021 Total funds £'000</i>
Staff costs (note 7)	188	91	290	569
Auditor's remuneration				
. Statutory audit assurance	20	—	—	20
Depreciation	2	—	—	2

7 Employee and key management remuneration

Summary

Staff costs during the period were as follows:

	2022 £'000	2021 £'000
Wages and salaries	511	461
Social security costs	62	54
Other pension costs	62	54
	635	569

Staff numbers

The average number of employees during the period, calculated on a full time equivalent basis, analysed by function, was as follows:

	2022 Number	2021 Number
Charitable activities		
. Capacity Building	1.8	1.0
. Blended Finance	4.6	5.5
. Listening, Learning and Sharing Knowledge	1.9	1.8
	8.3	8.3

The average number of employees employed during the year to 31 December 2022 was 8.3 (2021 - 8.3).

Higher paid employees

The number of employees earning more than £60,000 (including taxable benefits but excluding pension contributions) on an **annualised basis** are as follows:

	2022 Number	2021 Number
£60,001 - £70,000	—	1
£70,001 - £80,000	1	1
£90,001 - £100,000	—	1
£100,001 - £110,000	1	—

The Chief Executive received actual salary of £102k (2021 - £92k) in the financial year. During the prior year the Chief Executive had a period of unpaid leave.

7 Employee and key management remuneration (continued)

Key management personnel

Key management personnel comprise the trustees, the Chief Executive and the Senior Leadership Team.

The total cost of employment of the key management personnel of the charity was £373,501 (2021 - £374,885). One trustee received remuneration in respect of their services during the period totalling £6k (2021 - £6k). During the period out of pocket travelling expenses amounting to £631 (2021 - £180) were reimbursed to four (2021 - one) trustees.

8 Insurance

The charity has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £40,797 (2021 - £16,645) and provides cover of up to a maximum of £2m for professional indemnity insurance and upto £5m for directors and officers liability.

9 Taxation

Access – The Foundation for Social Investment is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

	Plant, vehicles & IT equipment £'000	Total £'000
Cost or valuation		
At 31 January 2022	23	23
Additions	—	—
At 31 December 2022	<u>23</u>	<u>23</u>
Depreciation		
At 31 December 2021	7	7
Charge for period	<u>7</u>	<u>7</u>
At 31 December 2022	<u>14</u>	<u>14</u>
Net book values		
At 31 December 2022	<u>9</u>	<u>9</u>
At 31 December 2021	<u>16</u>	<u>16</u>

11 Investments

	2022 £'000	2021 £'000
Market value of listed investments at 1 January	29,640	35,043
Additions at cost	—	2,608
Proceeds from disposals	(5,395)	(7,110)
Net investment gains (losses)	(2,667)	(901)
Market value of listed investments at 31 December	21,675	29,640
Value of unlisted investments	821	521
Cash held by investment managers	83	1,241
	22,579	31,402
Cost of investments at 31 December 2022	25,823	32,384

Investments held at 31 December 2022 comprised the following:

	2022 £'000
UK fixed interest	21,758
UK equity	821
	22,579
	2021 £'000
UK fixed interest	30,881
UK equity	521
	31,402

At 31 December 2022 investments included the following holdings, which represented material holdings relative to the market value of the total investment portfolio held at that date:

	Market value of holding £'000	Percentage of portfolio %
Royal London Ethical Bond Fund	1,195	5.38%
London & Quadrant Housing	1,764	7.95%
Hightown Praetorian	1,173	5.28%
Blue Orchid Investment Mgrs	1,174	5.29%
Places for People (5.09% Sec Bonds)	1,624	7.32%
Places for People (4.25% bonds)	1,994	8.98%
Severn Trent Utilities Finance	1,297	5.84%
Aegon Ethical Corporate Bond F	1,295	5.84%
Edentree Investment Management	1,261	5.68%

11 Investments (continued)

	Market value of holding £'000	Percentage of portfolio %
<i>London & Quadrant Housing</i>	2,005	6.65
<i>A2D Funds Plc (4.75% bonds)</i>	2,114	7.01
<i>Places for People (4.25% bonds)</i>	2,071	6.87
<i>Aegon Ethical Corporate Bond F</i>	1,622	5.38
<i>Edentree Investment Management</i>	1,514	5.02

All investments were dealt in on a recognised stock exchange where listed.

12 Debtors

	2022 £'000	2021 £'000
Due within one year		
Prepayments	164	173
	164	173

13 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	415	2,079
Money held as agents (see below)	88	685
Taxation and social security	6	16
Accruals	381	63
Deferred income	10,068	12,114
	10,958	14,957

The movement on money held as agents during the year ended 31 December 2022 was as follows:

	2022 £'000
Funds held as agents as at 1 January 2022	685
Funds received from the National Lottery Community Fund	1,272
Fund distributed to investors	(2,045)
Funds held as agents at 31 December 2022	88

13 Creditors: amounts falling due within one year (continued)

	2021 £'000
<i>Funds held as agents as at 1 January 2021</i>	1,406
<i>Funds received from the National Lottery Community Fund</i>	2,519
<i>Fund distributed to investors</i>	(3,240)
<i>Funds held as agents at 31 December 2021</i>	<u>685</u>

Access holds money received from the National Lottery Community Fund in order to distribute it to social investors who are delivering the Growth Fund. The grant income and expenditure does not belong to Access, and it is therefore not included within the SOFA.

14 Endowment funds

	At 31 December 2021 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2022 £'000
DCMS	27,542	—	(9,295)	18,247
	<u>27,542</u>	<u>—</u>	<u>(9,295)</u>	<u>18,247</u>

	At 31 December 2020 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2021 £'000
DCMS	34,533	—	(6,991)	27,542
	<u>34,533</u>	<u>—</u>	<u>(6,991)</u>	<u>27,542</u>

The funds were established as follows:

DCMS donated an expendable endowment fund to Access to support its charitable activities, including Capacity Building, Listening, Learning and Sharing Knowledge and a contribution to running costs. The funds may be invested in order to achieve a financial return. This financial return can be applied in furtherance of Access' charitable objectives and as such will be recognised as unrestricted income each year.

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances to be applied for specific purposes:

	At 31 December 2021 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2022 £'000
Local Access	9,596	—	(674)	8,922
The National Lottery Community Fund	—	110	(110)	—
Investments	—	—	—	—
Dormant Assets	—	2,046	(2,046)	—
	9,596	2,156	(2,830)	8,922

	At 31 December 2020 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2021 £'000
Local Access	9,946	—	(350)	9,596
The National Lottery Community Fund	—	116	(116)	—
Investments	—	6	(6)	—
Dormant Assets	—	6,051	(6,051)	—
	9,946	6,173	(6,523)	9,596

The specific purposes for which the funds are to be applied are as follows:

National Lottery Community Fund Income

This is funding for the administration and servicing of the Growth Fund. This includes the portfolio management of Growth Fund investees, provision of support and guidance to social investors including fostering a community of investees and promotion of awareness of the Programme.

16 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2022 £'000
Fund balances at 31 December 2022 are represented by:				
Tangible fixed assets	9	—	—	9
Investments	4,332	—	18,247	22,579
Net current assets	4,134	8,922	—	13,065
Total net assets	8,485	8,922	18,247	35,654

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
<i>Fund balances at 31 December 2021 are represented by:</i>				
<i>Tangible fixed assets</i>	<i>17</i>	<i>—</i>	<i>—</i>	<i>17</i>
<i>Investments</i>	<i>3,860</i>	<i>—</i>	<i>27,542</i>	<i>31,402</i>
<i>Net current assets</i>	<i>3,513</i>	<i>9,596</i>	<i>—</i>	<i>13,109</i>
<i>Total net assets</i>	<i>7,390</i>	<i>9,596</i>	<i>27,542</i>	<i>44,528</i>

	2022 £'000	2021 £'000
Total unrealised gains included above:		
On investments	(2,570)	(844)
Total unrealised gains at 31 December 2022	(2,570)	(844)
Reconciliation of movements in unrealised gains		
Unrealised losses at 1 January 2022	(844)	20
Less: in respect to disposals in the year	—	—
	(844)	20
Add: net gains arising on revaluation in the year	(1,726)	(864)
Total unrealised (losses) gains at 31 December 2022	(2,570)	(844)

17 Ultimate parent undertaking

The Oversight Trust, a company incorporated in the UK with registration no. 07611016, is considered to be the ultimate parent undertaking of the charity. Its accounts are available from Companies House.

Access – The Foundation for Social Investment is a charity and company limited by guarantee, with one legal member, The Oversight Trust which is also the majority shareholder of Big Society Capital.

In the event of the charity being wound up The Oversight Trust would be required to contribute an amount not exceeding £1.

18 Related party transactions

Access leases office space from Big Society Capital, whose majority shareholder is The Overnight Trust. Rent is paid under an operating lease at a rate of £6,533 per month and this lease can be cancelled with one month's notice.

Other than those transactions described above and detailed in note 7, there were no other related party transactions during the period (2021 - none). There were no donations from trustees in the year (2021 - none).

19 Financial instruments

	2022 £'000	2021 £'000
Financial assets		
Financial assets measured at fair value through profit or loss	45,617	58,774
Financial assets measured at cost less impairment	821	521
	46,438	59,295
Financial liabilities		
Financial liabilities measured at amortised cost	(884)	(2,827)
	(884)	(2,827)

Financial assets measured at fair value through profit or loss comprise the majority of investments and cash at bank and in hand.

Financial assets measured at cost less impairment comprise investments which are not traded in an active market.

Financial liabilities measured at amortised cost comprise trade creditors, money held as agent and accruals.

Risks faced by financial instruments which are investments are that of volatility in fixed income markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in market sentiment within particular sectors or sub sectors.

Risks faced by financial instruments that are debt instruments and financial liabilities include counterparty risk.

20 Post-balance sheet events

In March 2023 Government announced that a further £23m of Dormant Assets would flow to Access to support the work of Charities and Social Enterprises delivering services to communities impacted by the Cost of Living Crisis, and support energy resilience in the sector.

Government also announced that Social Investment Wholesalers would continue to be an eligible cause for Dormant Assets under the newly expanded scheme. As a result of this positive news the Trustees have determined that Access will not seek to close when the Endowment Fund is expended as originally planned but will seek to continue its work funded by further allocations of Dormant Asset funding.

ACCESS - THE FOUNDATION FOR SOCIAL INVESTMENT

England & Wales - Charity number 1159699

Accounts

**Access – The Foundation for
Social Investment**

Annual Report and Accounts

31 December 2021

Charity Registration Number
1159699
Company Registration Number
09153909

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Trustees

Nick Hurd – Chair
Emilie Goodall
Franz Ranero
Heather Hilburn
Kate Kuper
Jane Ide
Martin Rich (Senior Independent Trustee)
Robert Williamson
Susan Cooper
Samantha Latouche (from 23 March 2022)

Trustees who resigned during the period
Tokunbo Ajasa-Oluwa (to 23 June 2021)

Senior leadership team

Chief Executive Officer	Seb Elsworth
Director of Programmes	Neil Berry
Director of Learning	Sarah Colston
Director of Partnerships and Advocacy	Chloe Stables (from 8 September 2021)
Director of Finance and Operations	Chris Coghlan (from 10 May 2021)
	Chris Welch (interim to 10 May 2021)

Principal office

New Fetter Place
8-10 New Fetter Lane
London
EC4A 1AZ

Telephone	020 7084 6834
Website	access-socialinvestment.org.uk
E-mail	info@access-si.org.uk

Charity registration number 1159699

Company registration number 09153909

Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Investment advisors	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ
Bankers	Triodos Bank UK Limited Deanery Road Bristol BS1 5AS The Charity Bank Limited Fosse House 182 High Street Tonbridge TN9 1BE HSBC UK Bank Plc PO Box 6201 Coventry CV3 9HW Reliance Bank Limited, Faith House, 23 - 24 Lovat Lane, London, EC3R 8EB Unity Trust Bank PO Box 7193, Planetary Road, Willenhall WV1 9DG

Trustees' report Year to 31 December 2021

The trustees present their statutory report together with the accounts of Access – The Foundation for Social Investment for the year ended 31 December 2021.

The trustees' report has been prepared in accordance with part 8 of the Charities Act 2011 but also comprises a directors' report and a strategic report for the purpose of company legislation. The accounts have been prepared in accordance with the principal accounting policies set out therein and comply with the charitable company's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

Strategic report

Introduction

We are Access – The Foundation for Social Investment

Our vision is of an investment eco-system that works for all charities and social enterprises, helping to create stronger communities.

We work to make sure that charities and social enterprises can access the finance they need to sustain or grow their impact.

We target those most in need of patient and flexible investment through:

- ◆ **Funding** enterprise development and blended finance programmes in England.
- ◆ **Sharing** knowledge and data and translating it into practical insight that others can use.
- ◆ **Mobilising** others who share our goal of making capital work for communities.

Access was created in 2015, following a realisation that sustained efforts to grow the social investment market had not resulted in meeting the needs of many charities and social enterprises.

Typically, the type of finance that is suitable for most charities and social enterprises has not been readily available either because there was too much risk, or the size of investment was too small.

Equally, support for charities and social enterprises to grow their enterprise models and access investment was patchy, under-resourced, under-developed and uncoordinated.

And so, Access was created to grow the reach of social investment. Designed to 'disrupt' the existing social investment market and widen its reach into places and communities that were previously excluded.

Our funding has focused on two strategic themes since our inception:

- ◆ **Demonstrating the value of blended finance** - By combining grants with repayable finance into a blended package, we enable intermediaries to provide smaller scale, higher risk, more patient and flexible, and affordable finance that meets the needs of a broad range of charities and social enterprises, particularly smaller organisations or those working in disadvantaged areas.

Strategic report (continued)

Introduction (continued)

- ♦ Championing enterprise development - By supporting charities and social enterprises to develop enterprise models, we help organisations to find a more secure financial footing and build a more sustainable and resilient sector, better placed to meet the evolving needs of communities.

Our impact lies not just in the programmes we fund, but in our influence over the broader social investment ecosystem. As we are now firmly in the second part of our planned ten-year fixed life, our work to share the learning we have generated, and mobilise action with a range of partners including social investors, foundations, and infrastructure bodies, is accelerating in order to maximise the potential for legacy.

In our operating model we seek to maximise opportunities to generate impact, and take a “Total Impact” approach. Most significantly, we are investing our expendable endowment and any other funds received, to achieve positive social impact with a financial return, to fund our grant making, thereby increasing the total impact made by the endowment over its lifetime.

When reviewing the aims and activities of the charity and the provision by the charity of public benefit, the trustees have had regard to the general guidance provided by the Charity Commission. The trustees believe that the aims of the charity set out above are demonstrably for the public benefit.

Activities and specific objectives

Review of performance and achievement

2021 was a year when the impact of the COVID pandemic continued to be felt across the charity and social enterprise sector, the partners with whom we work, and within the organisation. It has also been a year of significant progress for the foundation in terms of the reach of our programmes, the development of our evidence base and the scope of our influence. We have also clarified our strategic role in the ecosystem and developed a range of future scenarios which could enable a continuation of Access's work if funders and stakeholders wish it so.

Across the two main types of funded programmes, significant achievements over the year include:

Blended Finance:

- ♦ The majority of our “Flexible Finance” programme was committed to social investment providers. The programme, made available through a distribution of dormant assets to Access in 2020, now totals £18.9m of an agreed commitment of at least £22m. During the year £7.6m was committed to eight funds with the aim to expand the patience and flexibility of the finance available to charities and social enterprises to support them in rebuilding their trading base following the pandemic. It is expected that the grant made available will leverage an initial £27m in senior investment.
- ♦ The “emergency lending” programme concluded in July. This programme, also enabled through dormant assets, had run since the summer of 2020, with the aim of enabling a greater range of charities and social enterprises to be able to utilise social investment as part of their strategy of dealing with the impact of COVID. Through partnerships with five social investment providers, 71 organisations were supported with a total of £5.6m in grants, which leveraged £15.6m of loans which would not otherwise have been viable.

Strategic report (continued)

Activities and specific objectives (continued)

- ◆ Our “Local Access” programme, in partnership with Big Society Capital, continued to evolve in six places across England, where local partnerships are seeking to develop their local social economy. From a dormant asset allocation of £10m, commitments of blended finance grant totalling £4.9m were made in Bristol; Hartlepool, Redcar and Cleveland; and Greater Manchester. In addition, Access committed a further £5.3m, from an £8m allocation of its own endowment, to support enterprise development activity in these three places as well as Gainsborough. Proposals from Bradford and Southwark are expected in early 2022.
- ◆ The Growth Fund, a partnership between The National Lottery Community Fund and Big Society Capital, which Access manages, has continued to adapt to the impact of COVID on the sector. During the year, 12 of the 14 social investors delivering the programme were still lending while work continued to adjust fund sizes. £7.2m was invested in charities and social enterprises during the year. Since 2016 the programme has made available £41.79m to 514 organisations. In response to the pandemic the funding partners made more than £1m additional direct grant available to borrowers in the programme, and Access committed a further £0.9m in business support grants to Growth Fund investees. The latter supported 106 organisations with a median size of grant of £6k.

Enterprise Development:

- ◆ Two new sector partners joined the Enterprise Development Programme (EDP): Groundwork, supporting the environment sector; and the Ubele Initiative, supporting charities and social enterprises led by people from black and minoritized communities. Across the total of six sectors, 65 organisations were recruited into the EDP during the year, and the programme to date has supported 145 organisations.
- ◆ The Reach Fund, which supports organisations who are getting ready to take on investment but who need support to do so, and is delivered by the Social Investment Business, was extended for a further five years with an additional commitment of £10m from Access. During the year 73 grants were made through the programme bringing the total to date to 662. Demand remains subdued as a result of COVID but is expected to pick up in 2022.

In addition, The Connect Fund, our programme to strengthen the sector's infrastructure, run by the Barrow Cadbury Trust, launched four new funding strands, which include supporting the sector to rebuild from the pandemic and continuing to develop work to progress equality, diversity and inclusion across social investment.

Our work in sharing learning and mobilising partners was significantly enhanced during the year with the creation of a new role of Director of Partnerships and Advocacy. Chloe Stables joined the team in this role in September.

Strategic report (continued)

Activities and specific objectives (continued)

During the course of 2021 we worked closely with the Department for Digital, Culture, Media and Sport (DCMS) to ensure that the supply of small-scale unsecured loans would continue at the point when the Growth Fund becomes fully committed in 2022. Through sharing the evidence of the impact generated by our partners, in particular the extent to which the Growth Fund has invested heavily in more deprived communities, we were able to secure a commitment from dormant assets of £20m in December 2021 to fund a new blended finance programme will launch in 2022.

In securing ongoing provision of blended finance for small-scale unsecured loans, we were also able to negotiate a clear plan for ending the deployment period of the Growth Fund, with a small number of funds continuing their deployment until the end of 2022 to ensure there is no gap in the supply of finance for the sector.

Other significant achievements during the year include:

- ◆ The launch of 5 lessons from 5 years, a series of podcasts highlighting the key learning from our work to date;
- ◆ The publication and dissemination of evaluations on the Reach Fund and the Impact Management Programme (which ran from 2016-18); and the conclusion of work from the evaluators of the Growth Fund of the second major evaluation of the programme (which was subsequently published in January 2022);
- ◆ A joint report with partners at Social Investment Business and Power to Change on the collective reach of our funding to black and minoritized communities, and how this can be increased;
- ◆ Convening a group of key stakeholders across the social economy and coordinating interaction with government around key areas of policy such as Levelling Up, COVID recovery and dormant assets;
- ◆ Contributing evidence and data to a wide variety of research projects including on the size of the impact investing sector, encouraging foundations to invest for impact, and on place based social investment;
- ◆ Publishing regular articles and think pieces, including via a regular column in Third Sector; and
- ◆ Publishing an updated impact report on our endowment portfolio.

In June 2021 the Oversight Trust, Access's parent, published the findings of an independent quadrennial review into Access's effectiveness and impact to date. The results were very encouraging. The report concluded that: "(Access) has significant positive impact on the Charity and Social Enterprise (CSE) sector's infrastructure and investment", and that "Access' activities have strong CSE sector support and are delivered through an effective agile organisation that demonstrates values and alignment with the sector."

The quadrennial review also identified six recommendations for the future, which include working with government to secure long term sources of blended finance, and further enhancing work around ED&I within Access and across the sector.

Strategic report (continued)

Activities and specific objectives (continued)

On the former, Access's sponsoring department in Government, DCMS, ended the year by commissioning a review to consider the value of, and future for, blended finance solutions in the social investment market. This will conclude in Q2 2022.

Future objectives and planned activities

During the latter part of the year the Trustees concluded an exercise in refreshing the organisation's strategy. This was largely based on the work of a task-and-finish group of the board which explored a range of questions about how Access can best maximise its legacy.

The refreshed strategy includes an updated theory of change which more clearly defines Access's broader role in the ecosystem, rather than just focusing on the delivery of our programmes, and identifies the risk of progress being lost if there is not a long-term supply of grant for blended finance in the market beyond Access's current programmes.

In working towards our vision of an investment eco-system that works for all charities and social enterprises, helping to create stronger communities, we have identified eight key areas of work. We will measure our progress with four primary indicators, and five secondary indicators.

Key areas of programme work over the year ahead:

- ◆ Provide grant funding enabling the development of blended funds and fund pre-investment support.
 - ◇ Make the final commitment on the Flexible Finance programme
 - ◇ Launch and make the majority of commitments on our new blended finance programme supporting small-scale unsecured debt to the sector
 - ◇ Continue to effectively manage the Growth Fund as the programme concludes deployment to the sector
 - ◇ Support social investment providers in using the Reach Fund and continue to promote models of investment readiness
- ◆ Support the capacity and resilience of key partners, including their capacity to innovate. Stimulate partnerships to grow and be increasingly independent of Access
 - ◇ Continue to fund sector infrastructure via the Connect Fund
 - ◇ Design the Growth Fund successor programme to more clearly support the resilience of social investment providers
- ◆ Support Local Access places to champion the role of the social economy through delivering enterprise support and blended finance, and build the case for more support
 - ◇ Work with the remaining places to launch their blended finance funds and enterprise development programmes in 2022
 - ◇ Ensure all places are seeking to embed the development of the social economy into broader local policy making

Strategic report (continued)

Activities and specific objectives (continued)

- ◆ Develop and disseminate deeper and wider understanding of revenue models in different sectors. Build understanding of, and make the case for, enterprise grant-making and support.
 - ◇ Support the EDP partners, including those who are coming to the end of their funded programmes and joining the alumni community
 - ◇ Publish and widely disseminate detailed analysis of the revenue models operating in the six EDP sectors

Key areas of advocacy work over the year ahead:

- ◆ Make the case for the provision of long-term subsidy for blended finance
 - ◇ Lead a major campaign across the social investment sector to secure further grant for blended finance from the expanded dormant assets scheme
 - ◇ Continue to share evidence and impact of our programmes and that of others
- ◆ Support the development of the blended finance ecosystem and the flow of capital into blended structures
 - ◇ Work closely with Big Society Capital in seeking to attract co-investment into blended finance structures from a wider range of investors
 - ◇ Continue to improve data available to the market on blended finance deals
- ◆ Working with others to encourage and persuade foundations and other asset owners to align management of their assets with their impact and mission
 - ◇ Seek to engage foundations in the opportunity to invest in blended finance structures via their endowments
 - ◇ Promote our total impact approach via key foundation networks such as Association of Charitable Foundations (ACF)
- ◆ With key partners help build the movement of enterprise grants and help foundations value the role of enterprise in supporting resilience
 - ◇ Work closely with the School for Social Entrepreneurs, ACF and others to define the field of enterprise grant making in order to attract more foundations to support work in this area
 - ◇ Through the dissemination of data on business models, increase the opportunities for more charities and social enterprises to use this information
 - ◇ Build the evidence of increased resilience in the sector as a result of more enterprise income

Strategic report (continued)

Activities and specific objectives (continued)

We will measure our success over 2022 and beyond by tracking:

Primary goals:

- ◆ More investment flows to charities and social enterprises who would not otherwise be able to access appropriate finance
- ◆ Organisations who have been supported through our programmes are more financially resilient than they were before / would otherwise be
- ◆ Proportionally more of our money is flowing to deprived places and to protected groups
- ◆ Sources of subsidy for blended finance are secured for the foreseeable future

Secondary goals:

- ◆ More foundations are engaging with the enterprise taskforce and actively supporting enterprise activity
- ◆ Charities and social enterprises feel more confident in describing their business models
- ◆ There are a greater number of co-investors in blended finance structures
- ◆ Intermediaries we work with report that they are more resilient than they were
- ◆ More foundation assets are invested for impact

Governance, structure and management

Governance

The names of the trustees who served during the period are set out as part of the reference and administrative details on page one of this annual report and accounts. Brief biographical details on each of the current trustees can be found on our website.

The trustees are committed to ensuring that the Board has the combination of skills necessary to support the effective provision of access to capital to charities and social enterprises. In particular, the Board of Trustees includes skills and expertise in the following areas: social investment, community regeneration and social enterprise, business, and financial and risk management.

The Board has fully adopted the Charity Governance Code and ensures compliance through regular review. The Board of Trustees reviews its own performance regularly and acts on any feedback received as a result of the evaluation process. During the year the Senior Independent Trustee, Martin Rich, undertook a series of interviews with each trustee to assess the performance of the board. The outcomes of this exercise were positive with a small number of recommendations to be taken forwards. The board will undertake an independent review in 2022.

Governance, structure and management (continued)

Key management personnel

The key management personnel of Access comprise the trustees, the Chief Executive and senior leadership team. Remuneration is overseen by the Audit, Risk and Compliance Committee (ARCC). In order to ensure that the remuneration policy reflects the charitable sector that it serves, Access staff receive no more than an annual inflationary increase, subject to affordability and in line with relevant benchmarks and reflective of the conditions in the social sector. An exception will be made if a role has materially changed or the market rate has increased (as confirmed by external benchmarking), in which case a pay increase beyond the rate of inflation may be considered

Statement of trustees' responsibilities

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report and 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 income and expenditure of the charity 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 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the accounts on the 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 accounts 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.

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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.

Structure and management reporting

Access is a charity and company limited by guarantee, with one legal member, the Oversight Trust (formerly the Big Society Trust). The Oversight Trust is also the majority shareholder of Big Society Capital, and the sole legal member of Fair4All Finance and the Youth Futures Foundation. As the sole legal member, the Oversight Trust agrees to contribute £1 in the event of the charity winding up.

Access is governed by the Board of Trustees. The Board of Trustees has six scheduled meetings a year, including an annual strategic away day. Other meetings are called as required. The trustees delegate the day-to-day management of Access to the Executive team.

The Audit, Risk and Compliance Committee (ARCC) is one of two formal subcommittees of the Board, comprising four trustees. The ARCC is responsible for the relationship with the auditors, ensuring the integrity of Access' accounting and financial practices, examining and reviewing all systems and methods of control including financial and risk management, all HR matters and policies and ensuring that Access complies with all aspects of the law, relevant regulation and good practice. The ARCC has four scheduled meetings a year and other meetings are called as required.

The Endowment Investment Committee (EIC) comprises two trustees and two external members. The EIC is responsible for the relationship with our investment managers (Rathbones), and its role is to monitor both the social impact and financial performance of the social investments that are being managed on Access' behalf by Rathbones from the endowment funds provided by DCMS and the treasury management of the dormant account funds. The EIC has four scheduled meetings a year and other meetings are called as required.

Risk management

To ensure that risks are managed and mitigated, a risk register is in place, which enables Access to identify and evaluate both strategic and operational risks, and the actions needed to mitigate these risks, taking into account existing and proposed controls. The ARCC reviews the risk register on a quarterly basis.

Governance, structure and management (continued)

Risk management (continued)

The key strategic risks which the organisation is currently managing relate to the longer term legacy of Access and that, in order to achieve its mission, the foundation needs to ensure that it is influencing the broader social investment ecosystem so that key aspects of its work can continue once the organisation closes, or further resources can be made available for the organisation's work to continue. The refreshed strategy and the renewed focus on learning and advocacy work are a key mitigant. A major focus of the organisation's work in the year ahead will be securing further resources from dormant assets for blended finance.

The ARCC is also actively managing risks relating to specific programmes and the ongoing impact of COVID on the organisation's work.

Grant making policy

Access is able to award grants in a variety of ways, namely via the blended finance programmes, Capacity Building programmes or for research work as part of the Learning, Listening and Sharing Knowledge strand. In awarding grants, we apply the following principles:

- ◆ The ultimate objective of the grant should be to increase access to finance for charities and social organisations and/or to support the growth of the social investment market.
- ◆ The grant may be used by recipients to fund or support charities and social organisations directly or to enable other intermediaries to provide appropriate funding or support to such charities or social organisations.
- ◆ The applicant will need to evidence the use of grant in increasing the efficiency and effectiveness of charities and social organisations.

We do not consider applications for any activities which are outside the Access objects; any activities which are not considered charitable in accordance with the laws of England and Wales; any political or commercial appeals; and any to the benefit of the trustees or anyone related to the trustees.

Applications must be submitted in accordance with our stated programme areas and will be subject to due diligence and a multi-stage decision making process. Grant recipients will be subject to monitoring, feedback requirements and evaluation. The terms of such monitoring and evaluation will vary depending on the type of funding and the programme area funded and details will be set out in the agreement between the recipient and Access.

Investments and Treasury

Endowment

The Capacity Building programmes, Listening, Learning and Sharing Knowledge (Market Championing) work, and a portion of Access' running costs are funded via an expendable endowment, granted by DCMS. Our mandate is to invest our expendable endowment to achieve positive social impact with a financial return to fund our grant making, thereby increasing the total impact made by the endowment over its lifetime. This is part of our "Total Impact" approach. An Investment Policy Statement (IPS) has been approved specifically for the endowment and the endowment's investments are managed in line with that policy.

Investments and Treasury (continued)

Endowment (continued)

Rathbones were appointed as the endowment's asset managers in early 2016 and at year end, they had £31.4m (2020 - £40.0m) of its assets under management. Rathbones manages our endowment in accordance with the endowment IPS. The IPS details the financial and social objectives of the portfolio, as well as any constraints that Rathbones needs to adhere to. It includes guidance on the permitted investments, liquidity requirements, risk management, benchmarking considerations, roles and responsibilities and reporting requirements.

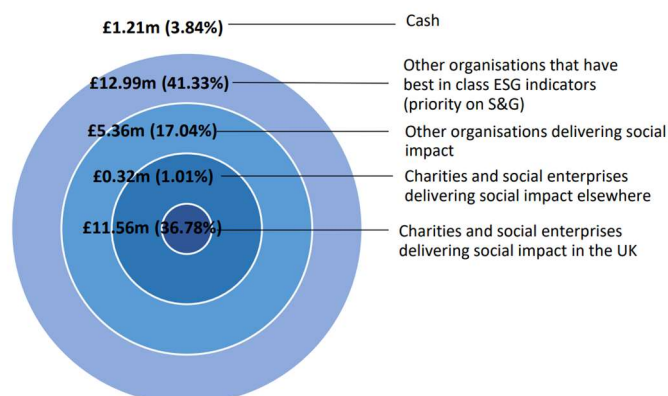
In terms of the impact that the portfolio will seek to achieve, we have adopted a tiered view of the varying degrees of impact. In descending order, Access invests in:

1. Charities and social enterprises delivering social impact in the UK – at 31 December 2021 this was 36.78% of total investments (Tier 1 or referred to as the “bull’s eye”)
2. Charities and social enterprises delivering social impact elsewhere – at 31 December 2021 this was 1.01% of total investments (Tier 2)
3. Other organisations delivering social impact – at 31 December 2021 this was 17.04% of total investments (Tier 3)
4. Other organisations that have best in class Environmental, Social and Governance (ESG) indicators (with a priority on S&G) – at 31 December 2021 this was 41.33% of total investments (Tier 4)
5. Cash - 3.84%

This is best represented by a diagram shown below:

Portfolio mapped to the Bull's eye framework as at 31 December 2021

Portfolio mapped to the Bull's Eye Framework as at 31 Dec 2021:



Impact reports are published on our website. The latest report is for the period to December 2020. Future reports will be published annually for each calendar year.

Capital Preservation Funds

A fund is managed for capital preservation when the Board is of the view that the funds should only be placed on deposit with suitable banks and that it is not appropriate to invest these funds partly or fully in a bond portfolio or other financial products. Access – The Foundation for Social Investment **13**

Investments and Treasury (continued)

Capital Preservation Funds (continued)

As 31 December 2021 there were two Capital Preservation Funds:

- ◆ The Local Access Dormant Accounts Fund; and
- ◆ The Covid-19 Recovery Dormant Accounts Fund.

An Investment Policy Statement (IPS) has been approved specifically for capital preservation funds and these funds are managed in line with that policy. The primary investment objective is to invest each Fund using a “total impact” approach, achieving both financial and social impact, in line with how Access invests its expendable endowment. The investment of these funds is managed in house.

The financial objective is to preserve the capital of each fund prior to expenditure. A financial return in line with the appropriate cash deposit rates is targeted over the period that the capital is invested and with a liquidity profile that is appropriate for the time horizon. This was met during the year. The capital is held with banks that best align with the “Bulls Eye” approach developed by Access subject to the opportunity set and consideration of risk factors.

Investment performance - Endowment

Rathbones continued to act as our asset manager throughout 2021. At 31 December 2021, the market value of these investments stood at £31.4m (2020 - £40.0m) which included cash held of £ 1.2m (2020 - £4.5m). The cost of these investments amounted to £40.6m, and there was an unrealised loss on the change in market value of £315k. Income from this investment portfolio amounted to £1.2m.

The investment portfolio achieved a Time Weighted Return (TWR) for 2021 of 0.62%. (2020 3.57%) The target TWR per year is 2-3%. With the backdrop of Covid and rising interest rates affecting the bond market, the trustees are satisfied with the performance of the investments, both in terms of financial return and social impact generated.

In relation to the management of the spend-down endowment, the Endowment Investment Committee (EIC) closely monitor risks, and work with Rathbones, the charity's asset managers, in seeking to mitigate those risks.

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised.

To mitigate credit risk during the last year the EIC worked closely with Rathbones to monitor the health of the underlying holdings in the portfolio, including through reviewing reports directly from the bond issuers and analysing wider market information.

Liquidity risk has also been closely monitored during the course of the year through regular reforecasting of anticipated programme spend, and modelling of any future sales of bonds required to meet that spend. The EIC and board have discussed strategies for reducing illiquidity in the portfolio towards the end of the life of the endowment (from 2023 onwards) and continue to monitor the holdings to reduce liquidity risk in the longer term.

Financial review

Results for the period

The Statement of Financial Activities (SOFA) shows that Access's result for the year, before investment gains and losses, was a deficit of £5.5m (2020 – surplus for the year of £0.68m). The result reflects the spend-down of our endowment in accordance with our mission and the utilisation of restricted grants received, offset by grants received and investment income from the endowment. The surplus in the prior year was driven by the receipt of the final £5m tranche of the endowment from DCMS, and reduced demand for some grant programmes owing to the pandemic.

Income from grants in 2021 was £6.17m (2020: £7.97m). The 2021 grant income includes recognition of £6.05m of income from the £21m tranche of dormant accounts funding received for Covid recovery. As explained in the notes to the financial statements, income from this stream of dormant accounts funding is being released on a performance basis - i.e., in the period in which it is applied.

Other sources of income include investment income of £1.24m (2020 - £1.60m)

The charity's endowment will be spent over the next four years on our Capacity Building and Listening, Learning and Sharing Knowledge work. It will also be used to part fund the running costs of Access.

The Local Access Dormant Accounts Fund covers part of the cost of the Local Access (place-based) Blended Finance programme developed with Big Society Capital. The balance of that programme is funded by £8m of Access's endowment. The original £10m restricted fund is expected to be spent over the next three to five years. The relevant portion of support costs are being charged to the £10m fund.

It is not yet possible to determine how long it will take to spend down the Covid Relief Dormant Accounts Fund as the allocation of the funding in its largest element – the Flexible Finance for the Recovery programme - has not been finalised. The relevant share of support costs is being charged to this fund.

Despite the slowdown caused by the pandemic, during the year to 31 December 2021 expenditure on charitable activities totalled £12.8m (2020 - £8.7m) made up as follows:

	2021	2020
	£m	£m
Capacity Building	4.7	4.5
Blended Finance	7.6	3.8
Listening Learning and Sharingknowledge	0.5	0.4
	12.8	8.7

In addition to grants, these costs include project management costs which relate to the functioning of robust and effective programmes and include the costs of partner organisations administering the programmes on our behalf.

Our office running costs are relatively low due to the fact that we are a lean organisation and work through partnerships. The average FTE increased in 2021 to 8.3 (2020 – 8.0).

Staff costs for the year were £569k (2020 - £506k).

Costs were incurred of £99k (2020 - £117k) on raising funds, which relate to the fees paid for the management of the short term deposit accounts and fees paid to investment managers, Rathbones, for the management of the investment portfolio.

Financial review (continued)

Reserves policy and financial position

The balance sheet shows total funds of £44.5m (31 December 2020 - £50.89m).

These funds include expendable endowment funds of £27.54m (2020 - £34.53m). Whilst the income from these funds may be used for general purposes of the charity and is held as unrestricted reserves, the Trustees' current plan is to use that income over the next five years to fund our Capacity Building programmes, and to part-fund the running costs of Access.

As detailed in note 11, the market value of the charity's investment portfolio is now £31.4m (2020 - £40.05m), with the fall in value largely being amounts drawn down during the year for programmes.

Included in total funds is an amount of £9.6m (2020 - £9.9m) which is restricted. This consists of two funds:

- ◆ The Local Access Dormant Accounts Fund: Created from the receipt in 2018 of £10m of dormant account funds for a Place Based Blended Finance programme (known as Local Access).
- ◆ The Covid Relief Dormant Accounts Fund: Created from receipt of a £21m tranche of the £30m dormant accounts funding to grow our blended finance work. (As at 31 December 2021 £12.1m of the £21m is treated as deferred income).

Full details of restricted funds can be found in note 15 to the accounts together with an analysis of movements in the period.

No funds have been designated, or set aside, by the trustees for specific purposes. General funds of the charity at 31 December 2021 total £7.4m (2020 - £6.4m). These funds are represented by tangible fixed assets with a net book value of £2k and with the remainder being "free reserves".

The core of Access' grant making programmes and running costs are funded via an expendable endowment of £60.65m from DCMS, the final £5m of which was received in 2020. The endowment will in turn continue to be spent over the next four years in the delivery of Access' programmes. Given that the endowment fund is essentially an income fund rather than that of a capital nature, a traditional reserves policy is not considered necessary. Access will receive all funding ahead of when these resources will be committed and therefore the funds are considered adequate to meet the running costs of Access as well as the grant funding of our programmes.

In the latter part of Access' life, the grant commitments and running costs will be carefully managed to ensure that the remaining expendable endowment is available and sufficient to fund these commitments.

The charity's assets

Acquisitions and disposals of fixed assets during the period are recorded in the notes to the accounts.

Fundraising statement

Access does not actively solicit donations directly from the public and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. Were donations from individuals or trusts and foundations to be received, Access would ensure personal data is appropriately protected.

Trustees' report Year to 31 December 2021

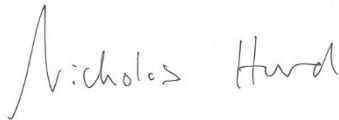
Auditors

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

A handwritten signature in black ink that reads "Nicholas Hurd". The signature is written in a cursive style with a large initial 'N'.

Nick Hurd

Trustee

Approved by the trustees on: 27 April 2022

Independent auditor's report to the members of Access – The Foundation for Social Investment

Opinion

We have audited the financial statements of Access – The Foundation for Social Investment (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, and statements of cash flows, the principal accounting policies and notes to the financial statements. 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 31 December 2021 and of its 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 charitable company 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 charity'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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' report including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report including the strategic 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' report including the strategic 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, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; and
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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:

- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: 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), the Companies Act 2006 and the Charities Act 2011.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit, Risk and Compliance Committee.
- ◆ We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - ◇ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;
 - ◇ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - ◇ Challenging assumptions and judgements made by management in its significant accounting estimates;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◇ Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- ◇ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

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. 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.



20 May 2022

Edward Finch (Senior Statutory Auditor)

For and on behalf of

Buzzacott LLP,

Statutory Auditor

130 Wood Street

London

EC2V 6DL

Statement of financial activities Year to 31 December 2021

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 Total funds £'000	2020 Total funds £'000
Income and endowments from:						
Grants and other sources for charitable activities	1	—	6,167	—	6,167	7,971
Investments	2	1,237	6	—	1,243	1,597
Total income		1,237	6,173	—	7,410	9,568
Expenditure on:						
Raising funds	3	—	—	99	99	117
Charitable activities	4					
. Capacity Building		—	—	4,663	4,663	4,528
. Blended Finance		254	6,523	793	7,570	3,833
. Listening, Learning & Sharing Knowledge		—	—	535	535	406
Total expenditure		254	6,523	6,090	12,867	8,884
Net income (expenditure) for the year before losses on investments	6	983	(350)	(6,090)	(5,457)	684
Net investment (losses) gains	11	—	—	(901)	(901)	25
Net income and net movement in funds		983	(350)	(6,991)	(6,358)	709
Reconciliation of funds:						
Total funds brought forward		6,407	9,946	34,533	50,886	50,177
Total funds carried forward		7,390	9,596	27,542	44,528	50,886

The statement of financial activities includes all gains and losses recognised in the period.

All of the charity's activities derived from continuing operations during the above financial period.

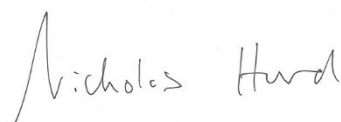
Prior year statement of financial activities Year to 31 December 2020

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 Total funds £'000
<i>Income and endowments from:</i>					
<i>Grants and other sources for charitable activities</i>	1	—	2,971	5,000	7,971
<i>Investments</i>	2	1,595	2	—	1,597
<i>Total income</i>		1,595	2,973	5,000	9,568
<i>Expenditure on:</i>					
<i>Raising funds</i>	3	—	—	117	117
<i>Charitable activities</i>	4				
<i>. Capacity Building</i>		—	—	4,528	4,528
<i>. Blended Finance</i>		88	3,027	718	3,833
<i>. Listening, Learning & Sharing Knowledge</i>		—	—	406	406
<i>Total expenditure</i>		88	3,027	5,769	8,884
<i>Net income (expenditure) for the year before losses on investments</i>	6	1,507	(54)	(769)	684
<i>Net investment gains/(losses)</i>	11	—	—	25	25
<i>Net income and net movement in funds</i>		1,507	(54)	(744)	709
<i>Reconciliation of funds:</i>					
<i>Total funds brought forward</i>		4,900	10,000	35,277	50,177
<i>Total funds carried forward</i>		6,407	9,946	34,533	50,886

Balance sheet as at 31 December 2021

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Tangible assets	10		17		2
Investments	11		31,402		40,047
			<u>31,419</u>		<u>40,049</u>
Current assets					
Debtors due within one year	12	173		273	
Cash at bank and in hand		<u>27,893</u>		<u>30,792</u>	
		28,066		31,065	
Creditors: amounts falling due within one year	13	<u>(14,957)</u>		<u>(20,228)</u>	
Net current assets			<u>13,109</u>		<u>10,837</u>
Total net assets			<u>44,528</u>		<u>50,886</u>
The funds of the charity:					
Endowment funds	14		27,542		34,533
Restricted funds	15		9,596		9,946
Unrestricted funds					
. General fund			7,373		6,405
. Tangible fixed assets fund			<u>17</u>		<u>2</u>
			<u>44,528</u>		<u>50,886</u>

Approved by the trustees and signed on their behalf by:



Nick Hurd

Trustee

Approved by the trustees on: 27 April 2022

Access – The Foundation for Social Investment: A company limited by guarantee.

Company Registration No. 09153909 (England and Wales)

Statement of cash flows Year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Cash (used in) provided by operating activities	A	(11,926)	18,102
Cash provided by investing activities	B	5,785	4,370
Change in cash and cash equivalents in the year	C	(6,141)	22,472
Cash and cash equivalents at 1 January 2021		35,275	12,803
Cash and cash equivalents at 31 December 2021		29,134	35,275

Notes to the statement of cash flows for the year to 31 December 2021

A Reconciliation of net movement in funds to net cash provided by operating activities

	2021 £'000	2020 £'000
Net movement in funds	(6,358)	709
Depreciation charge	2	1
(Gains) losses on investments	844	(25)
Investment income	(1,243)	(1,597)
Decrease (increase) in debtors	100	(206)
Increase in creditors	(5,271)	19,220
Net cash provided by operating activities	(11,926)	18,102

B Gross cash flows from investing activities

	2021 £'000	2020 £'000
Investing activities		
Payments to acquire tangible fixed assets	(17)	(1)
Disposal of tangible fixed assets	—	—
Investment income	1,243	1,597
Purchase of investments	(2,608)	—
Proceeds from disposals of investments	7,167	2,774
Net cash provided by investing activities	5,785	4,370

Statement of cash flows Year ended 31 December 2021

C Analysis of changes in cash and cash equivalents

	At 31 December 2020 £'000	Cash Flows £'000	At 31 December 2021 £'000
Cash held by investment managers	4,483	(3,242)	1,241
Cash at bank and in hand	30,792	(2,899)	27,893
Total	35,275	(6,141)	29,134

	At 31 December 2019 £'000	Cash Flows £'000	At 31 December 2020 £'000
Cash held by investment managers	362	4,121	4,483
Cash at bank and in hand	12,441	18,351	30,792
Total	12,803	22,473	35,275

Principal accounting policies Year ended 31 December 2021

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of accounting

These financial statements have been prepared for the year to 31 December 2021.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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) ('Charities FRS 102 SORP 2019'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ♦ Determining the value of investment holdings, where these are unlisted.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because they consider the cash and reserves position of Access to be sufficient to support the charity for at least 12 months from the date of signing these financial statements.

Principal accounting policies Year ended 31 December 2021

Income

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably, and it is probable that the funds will be received.

Income is deferred only when the charity has to fulfil performance related conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Grants from government for Capacity Building are expendable funds that are specifically restricted to such activity. These income funds are put on deposit and invested prior to expenditure and have been included as endowment funds. In the year ended 31 December 2018 the charity received £10m of cash from dormant account funds, which was recognised in full in that year and presented within restricted funds, on the basis that it should be used to create a specific Blended Finance Programme.

In the year ended 31 December 2020 the charity became entitled to £30m of funding from the National Lottery Community Fund (NLCF). In line with the underlying grant agreement, amounts are drawn down by the charity periodically based on requests to the NLCF to support cash requirements for the subsequent period. As the funding is provided to support future activity it is initially recognised as deferred income in the balance sheet and taken to the statement of financial activities in the period in which it is applied. The income is conditional on it being used to fund expenditure furthering the social purposes or for the purpose of helping charities and social enterprises respond and recover from the Covid-19 outbreak. Income and expenditure are therefore shown in the restricted fund.

The National Lottery Community Fund Grant Budget for Growth Fund is considered a performance related grant on account of the service level agreement in place with the National Lottery Community Fund. This is included as a restricted grant on the basis that it is refundable if not applied for the purposes intended.

The Growth Fund itself is not recognised as income within the charity's financial statements as the income is not under the direct control of the charity.

In accordance with the Charities FRS 102 SORP volunteer time is not recognised.

Interest on funds held on deposit is recognised as accrued interest when the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Principal accounting policies Year ended 31 December 2021

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

- a. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising, and an allocation of support costs.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include grants payable, other direct costs and support costs.
- c. Other expenditure includes all expenditure that cannot be analysed into the above two headings.

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Office costs and property related costs are apportioned on the basis of the headcount related to the activity. Staff related costs are allocated in the same proportion as directly attributable staff costs. Included within support costs are governance costs which comprises audit fees, legal fees, recruitment expenses and trustees' remuneration and expenses reimbursed. All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets

All assets (other than IT equipment) costing more than £1,000 and with an expected useful life exceeding one year are capitalised. IT equipment costing more than £350 and with an expected useful life exceeding one year is capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|----------------------------------|-------------------------------|
| ♦ Computer and similar equipment | 33.3% per annum based on cost |
|----------------------------------|-------------------------------|

Principal accounting policies Year ended 31 December 2021

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value. The fair value of fixed asset investments quoted in an active market is determined by reference to the official exchange or clearing house settlement prices at the close of business on the balance sheet date. For fixed asset investments that do not have official exchange settlement prices, the fair value is determined by reference to third party market values on the balance sheet date, determined by independent brokers. Those holdings for which there is no active market are valued at cost less any impairment.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised. All gains (or losses) on investments are taken to the statement of financial activities as they arise. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value, or the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised investment gains and losses are credited (or debited) to the statement of financial activities in the year in which they arise.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than a month from the date of acquisition. Deposits for more than one month but less than one year have been disclosed as short term deposits. Cash placed on deposit by our investment managers Rathbones is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Expendable endowment funds comprise monies which the trustees have the power to convert into income. Investment income therefrom is credited to unrestricted funds and applied for general purposes in line with the requirements of the donor.

Principal accounting policies Year ended 31 December 2021

Fund accounting (continued)

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Pension costs

The charity operates a defined contribution pension scheme. The amounts charged represent the contributions payable to the scheme in the period.

1 Income from grants and other sources for charitable activities

	Restricted funds £'000	Endowment funds £'000	2021 Total funds £'000
The National Lottery Community Fund	116	—	116
Dormant Account (COVID-19)	6,051	—	6,051
2021 Total funds	6,167	—	6,167

	Restricted funds £'000	Endowment funds £'000	2020 Total funds £'000
DCMS	—	5,000	5,000
The National Lottery Community Fund	136	—	136
Dormant Account Grant income	2,835	—	2,835
2020 Total funds	2,971	5,000	7,971

2 Income from investments

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 Total funds £'000
Investment income receivable	1,200	—	—	1,200
Interest receivable	37	6	—	43
2021 Total funds	1,237	6	—	1,243

	Unrestricted funds £'000	Endowment funds £'000	2020 Total funds £'000
Investment income receivable	1,464	—	1,464
Interest receivable	131	2	133
2020 Total funds	1,595	2	1,597

3 Expenditure on raising funds

	Endowment funds £'000	2021 Total funds £'000
Investment manager fees	99	99

	Endowment funds £'000	2020 Total funds £'000
Investment manager fees	117	117

4 Expenditure on charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 Total funds £'000
Capacity Building				
. Grants	—	—	3,199	3,199
. Project management costs	—	—	1,264	1,264
Support costs (note 5)				
.. Office costs	—	—	36	36
.. Staff costs	—	—	148	148
. Governance costs	—	—	16	16
	—	—	4,663	4,663
Blended Finance				
Grants	—	5,038	641	5,679
Project management costs	—	1,362	152	1,514
Support costs (note 5)				
.. Office costs	46	22	—	68
.. Staff costs	188	91	—	279
. Governance costs	20	10	—	30
	254	6,523	793	7,570
Listening, Learning and Sharing Knowledge				
. Research costs	—	—	343	343
. Support costs (note 5)				
.. Office costs	—	—	35	35
.. Staff costs	—	—	142	142
Governance costs	—	—	15	15
	—	—	535	535
2021 Total funds	254	6,523	5,991	12,768

4 Expenditure on charitable activities (continued)

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 Total funds £'000
<i>Capacity Building</i>				
. Grants	—	—	3,587	3,587
. Project management costs	—	—	764	764
Support costs (note 5)				
.. Office costs	—	—	34	34
.. Staff costs	—	—	130	130
. Governance costs	—	—	13	13
	—	—	4,528	4,528
<i>Blended Finance</i>				
Grants		2,736	682	3,418
Project management costs	—	39	36	75
Support costs (note 5)				
.. Office costs	17	48	—	65
.. Staff costs	65	186	—	251
. Governance costs	6	18	—	24
	88	3,027	718	3,833
<i>Listening, Learning and Sharing Knowledge</i>				
. Research costs	—	—	236	236
. Support costs (note 5)	—	—		
.. Office costs	—	—	33	33
.. Staff costs	—	—	125	125
Governance costs	—	—	12	12
	—	—	406	406
2020 Total funds	88	3,027	5,652	8,767

Capacity Building:

Capacity building comprises work involving the consultation, design, implementation, monitoring and evaluating of grant-based programmes to build the capacity of charities and social enterprises. This support helps charities and social enterprises to earn more of their own income and specifically develop business models which can be further supported through utilising social investment. This will help organisations become robust, competitive and sustainable by helping them to participate in the social investment market and become better-equipped to be investment-ready and secure new forms of investment.

Blended Finance:

Access manages and promotes blended finance models, which bridge the gap between charities and social enterprises on one side and social investors on the other. These include:

- ♦ The Growth Fund - a wholesale finance facility for social investors. It is operated by Access which provides support and operational services, with finance from Big Society Capital and the National Lottery Community Fund. The objective is to provide access to capital that charities and social enterprises need when they are at early stages of growth or diversifying their business models by providing loans of less than £150,000. Access is represented on the Joint Investment Committee which reviews and approves applications for this funding.

4 Expenditure on charitable activities (continued)

- ◆ Local Access: The Local Access programme uses £10m from dormant bank accounts received by Access in 2018 to blend with circa £15m of Big Society Capital funds. Access has also committed a further £8m from its endowment. At the start of 2020 partnerships six places were chosen to use these funds to create place based blended finance and enterprise development programmes to help grow their local social economies. During 2021 the first operational grants were issued.
- ◆ COVID 19 relief funding: In response to the impact of the COVID-19 pandemic on the sector, Access was awarded £30m of further grant funds under the Dormant Bank and Building Society Accounts Act 2008. These funds are being used to enable social investors offering emergency loans to offer a blended loan and grant product, to allow social investors to offer more patient and flexible social investment products to support the sector in the recovery period; and to provide emergency support to social investment organisations if necessary.

Listening, Learning and Sharing Knowledge:

These activities enable Access to learn from our programmes and listen to the changing investment needs of the sector in order to influence our future work and that of others who support charities and social enterprises.

5 Support costs

Support costs comprise governance costs and other support costs:

	Charitable activities			
	Capacity Building £'000	Blended Finance £'000	Listening, Learning and Sharing Knowledge £'000	2021 Total funds £'000
Staff costs	148	278	142	568
Governance costs	36	68	35	139
Office costs	16	30	16	62
	200	376	193	769

	Charitable activities			
	Capacity Building £'000	Blended Finance £'000	Listening, Learning and Sharing Knowledge £'000	2020 Total funds £'000
Staff costs	130	251	125	506
Governance costs	13	24	12	49
Office costs	34	65	33	132
	177	340	170	687

5 Support costs (continued)

Governance costs include recruitment and legal fees. For details of trustee remuneration for their services and reimbursement of their travel costs see note 7.

Support costs	2021 Total funds £'000	2020 Total funds £'000	Basis of apportionment
Staff costs	569	506	Estimated time spent on each of the charity's core activities
Governance costs	61	49	
Office costs	139	132	
	769	687	

6 Net income

This is stated after charging:

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2021 Total funds £'000
Staff costs (note 7)	188	91	290	569
Auditor's remuneration				
. Statutory audit assurance	20	—	—	20
Depreciation	2	—	—	2

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 Total funds £'000
Staff costs (note 7)	65	186	255	506
Auditor's remuneration				
. Statutory audit assurance	—	20	—	20
Depreciation	—	—	—	1

7 Employee and key management remuneration

Summary

Staff costs during the period were as follows:

	2021 £'000	2020 £'000
Wages and salaries	461	412
Social security costs	54	48
Other pension costs	54	46
	569	506

Staff numbers

The average number of employees during the period, calculated on a full time equivalent basis, analysed by function, was as follows:

	2021 Number	2020 Number
Charitable activities		
. Capacity Building	1.0	1.0
. Blended Finance	5.5	5.0
. Listening, Learning and Sharing Knowledge	1.8	2.0
	8.3	8.0

The average number of employees employed during the year to 31 December 2021 was 8.3 (2020 – 8.0).

Higher paid employees

The number of employees earning more than £60,000 (including taxable benefits but excluding pension contributions) on an **annualised basis** are as follows:

	2021 Number	2020 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1

The Chief Executive received actual salary of £92k (2020 – £94.3k) in the financial year.

7 Employee and key management remuneration (continued)

Key management personnel

Key management personnel comprise the trustees, the Chief Executive and the Senior Leadership Team.

The total cost of employment of the key management personnel of the charity was £374,885 (2020 – £343,323). One trustee received remuneration in respect of their services during the period totalling £6k (2020 – £7.5k). During the period out of pocket travelling expenses amounting to £180 (2020 – £890) were reimbursed to one (2020 – three) trustee.

8 Insurance

The charity has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £16,645 (2020 - £17,636) and provides cover of up to a maximum of £2m for professional indemnity insurance and upto £5m for directors and officers liability.

9 Taxation

Access – The Foundation for Social Investment is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

	Plant, vehicles & IT equipment £'000	Total £'000
Cost or valuation		
At 31 December 2020	7	7
Additions	17	17
At 31 December 2021	24	24
Depreciation		
At 31 December 2020	5	5
Charge for period	2	2
At 31 December 2021	7	7
Net book values		
At 31 December 2021	17	17
At 31 December 2020	2	2

11 Investments

	2021 £'000	2020 £'000
Market value of listed investments at 1 January	35,043	37,792
Additions at cost	2,608	—
Proceeds from disposals	(7,110)	(2,774)
Net investment gains (losses)	(901)	25
Market value of listed investments at 31 December	29,640	35,043
Value of unlisted investments	521	521
Cash held by investment managers	1,241	4,483
	31,402	40,047
Cost of investments at 31 December 2021	32,384	40,608

Investments held at 31 December 2021 comprised the following:

	2021 £'000
UK fixed interest	30,881
UK equity	521
	31,402
	2020 £'000
UK fixed interest	40,005
UK equity	521
	40,526

At 31 December 2021 investments included the following holdings, which represented material holdings relative to the market value of the total investment portfolio held at that date:

	Market value of holding £'000	Percentage of portfolio %
London & Quadrant Housing	2,005	6.65
A2D Funds Plc (4.75% bonds)	2,114	7.01
Places for People (4.25% bonds)	2,071	6.87
Aegon Ethical Corporate Bond F	1,622	5.38
Edentree Investment Management	1,514	5.02

11 Investments (continued)

	2019 Market value of holding £'000	2019 Percentage of portfolio %
<i>Wellcome Trust Finance</i>	2,218	5.54
<i>London and Quadrant Housing</i>	2,064	5.16
<i>Dolphin Square Charitable FD</i>	2,876	7.19
<i>Places for People</i>	2,180	5.45
<i>A2D funds plc</i>	2,079	5.20
<i>Greensleeves Homes Trust</i>	2,010	5.02

All investments were dealt in on a recognised stock exchange where listed.

12 Debtors

	2021 £'000	2020 £'000
Due within one year		
Prepayments	173	16
Accrued income	—	90
Other debtors	—	167
	173	273

13 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	2,079	41
Money held as agents (see below)	685	1,406
Taxation and social security	16	—
Accruals	63	368
Deferred income	12,114	18,413
	14,957	20,228

The movement on money held as agents during the year ended 31 December 2021 was as follows:

	2021 £'000
Funds held as agents as at 1 January 2020	1,406
Funds received from the National Lottery Community Fund	2,519
Fund distributed to investors	(3,240)
Funds held as agents at 31 December 2021	685

13 Creditors: amounts falling due within one year (continued)

	2020 £'000
<i>Funds held as agents as at 1 January 2019</i>	727
<i>Funds received from the National Lottery Community Fund</i>	4,764
<i>Fund distributed to investors</i>	(4,085)
<i>Funds held as agents at 31 December 2019</i>	<u>1,406</u>

Access holds money received from the National Lottery Community Fund in order to distribute it to social investors who are delivering the Growth Fund. The grant income and expenditure does not belong to Access, and it is therefore not included within the SOFA.

14 Endowment funds

	At 31 December 2020 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2021 £'000
DCMS	34,533	—	(6,991)	27,542
	<u>34,533</u>	<u>—</u>	<u>(6,991)</u>	<u>27,542</u>

	At 31 December 2019 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2020 £'000
DCMS	35,277	5,000	(5,744)	34,533
	<u>35,277</u>	<u>5,000</u>	<u>(5,744)</u>	<u>34,533</u>

The funds were established as follows:

DCMS donated an expendable endowment fund to Access to support its charitable activities, including Capacity Building, Listening, Learning and Sharing Knowledge and a contribution to running costs. The funds may be invested in order to achieve a financial return. This financial return can be applied in furtherance of Access' charitable objectives and as such will be recognised as unrestricted income each year.

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances to be applied for specific purposes:

	At 31 December 2020 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2021 £'000
Dormant accounts (Local Access)	9,946	—	(350)	9,594
The National Lottery Community Fund	—	116	(116)	—
Investments	—	6	(6)	—
Dormant accounts (COVID-19)	—	6,051	(6,051)	—
	9,946	6,173	(6,523)	9,596

	At 31 December 2019 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2020 £'000
Dormant accounts (Local Access)	10,000	2	(56)	9,946
Dormant accounts (COVID-19)	—	2,971	(2,971)	—
	10,000	2,973	(3,027)	9,946

The specific purposes for which the funds are to be applied are as follows:

National Lottery Community Fund (formerly Big Lottery Fund) Income

This is funding for the administration and servicing of the Growth Fund. This includes the portfolio management of Growth Fund investees, provision of support and guidance to social investors including fostering a community of investees and promotion of awareness of the Programme.

16 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000
Fund balances at 31 December 2021 are represented by:				
Tangible fixed assets	17	—	—	17
Investments	3,860	—	27,542	31,402
Net current assets	3,513	9,596	—	13,616
Total net assets	7,390	9,596	27,542	44,528
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>Endowment funds £'000</i>	<i>Total 2020 £'000</i>
Fund balances at 31 December 2020 are represented by:				
Tangible fixed assets	2	—	—	2
Investments	5,514	—	34,533	40,047
Net current assets	890	9,947	—	10,837
Total net assets	6,406	9,947	34,533	50,886
			2021 £'000	2020 £'000
Total unrealised gains included above:				
On investments			(844)	(597)
Total unrealised gains at 31 December 2021			(844)	(597)
Reconciliation of movements in unrealised gains				
Unrealised losses at 1 January 2021			20	25
Less: in respect to disposals in the year			—	(5)
			20	20
Add: net gains arising on revaluation in the year			(864)	(617)
Total unrealised (losses) gains at 31 December 2021			(844)	(597)

17 Ultimate parent undertaking

The Oversight Trust (formerly Big Society Trust) is considered to be the ultimate parent undertaking of the charity.

Access – The Foundation for Social Investment is a charity and company limited by guarantee, with one legal member, The Oversight Trust which is also the majority shareholder of Big Society Capital.

In the event of the charity being wound up The Oversight Trust would be required to contribute an amount not exceeding £1.

18 Related party transactions

Access leases office space from Big Society Capital, whose majority shareholder is The Overnight Trust. Rent is paid under an operating lease at a rate of £6,533 per month and this lease can be cancelled with one month's notice.

Other than those transactions described above and detailed in note 7, there were no other related party transactions during the period (2020 – none). There were no donations from trustees in the year (2020 – none).

19 Financial instruments

	2021 £'000	2020 £'000
Financial assets		
Financial assets measured at fair value through profit or loss	58,774	70,318
Financial assets measured at cost less impairment	521	521
	<u>59,295</u>	<u>70,839</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(2,827)	(1,815)
	<u>(2,827)</u>	<u>(1,815)</u>

Financial assets measured at fair value through profit or loss comprise the majority of investments and cash at bank and in hand.

Financial assets measured at cost less impairment comprise investments which are not traded in an active market.

Financial liabilities measured at amortised cost comprise trade creditors, money held as agent and accruals.

Risks faced by financial instruments which are investments are that of volatility in fixed income markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in market sentiment within particular sectors or sub sectors.

Risks faced by financial instruments that are debt instruments and financial liabilities include counterparty risk.

20 Commitments

As at the prior year balance sheet date, 31 December 2020, the charity was committed to paying out a further £4.1m of grants to social investment providers from the funding received from NLCF for Covid related emergency blended investment. The £4.1m is the difference between the commitments of £6.9m made by Access and the £2.8m drawn down from Access by 31 December 2020. This commitment will be recognised within expenditure as beneficiaries meet relevant criteria.

As at 31 December 2021 the charity had no such equivalent commitments.

ACCESS - THE FOUNDATION FOR SOCIAL INVESTMENT

England & Wales - Charity number 1159699

Accounts

**Access – The Foundation for
Social Investment**

Annual Report and Accounts

31 December 2020

Charity Registration Number
1159699
Company Registration Number
09153909

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Reference and administrative details of the charity, its trustees and advisers

Trustees	Nick Hurd – Chair (from 22/04/2020) Emilie Goodall (from 17/09/2020) Franz Ranero (from 17/09/2020) Heather Hilburn Kate Kuper Jane Ide (from 17/09/2020) Martin Rich (Senior Independent Trustee) Robert Williamson Susan Cooper Tokunbo Ajasa-Oluwa (from 17/09/2020) <i>Trustees who resigned during the period</i> John Kingston OBE – Chair to 22/04/2020, retired from Board 16/09/2020 Lorraine Oldroyd (to 22/04/2020) Annika Small OBE (to 22/07/2020)
Senior leadership team	
Chief Executive Officer	Seb Elsworth
Director of Programmes	Neil Berry
Director of Learning	Sarah Colston
Director of Finance and Operations	Chris Coghlan (to 02/04/2020 and from 10 May 2021) Chris Welch (interim from 02/04/2020 – 10 May 2021)
Principal office	New Fetter Place 8-10 New Fetter Lane London EC4A 1AZ
Telephone	020 7084 6834
Website	access-socialinvestment.org.uk
E-mail	info@access-si.org.uk
Charity registration number	1159699
Company registration number	09153909

Reference and administrative details of the charity, its trustees and advisers

Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Investment advisors	Rathbone Brothers Plc 8 Finsbury Circus London EC2M 7AZ
Bankers	Triodos Bank UK Limited Deanery Road Bristol BS1 5AS The Charity Bank Limited Fosse House 182 High Street Tonbridge TN9 1BE HSBC UK Bank Plc PO Box 6201 Coventry CV3 9HW Reliance Bank Limited, Faith House, 23 - 24 Lovat Lane, London, EC3R 8EB Unity Trust Bank PO Box 7193, Planetary Road, Willenhall WV1 9DG

The trustees present their statutory report together with the accounts of Access – The Foundation for Social Investment for the year ended 31 December 2020.

The trustees' report has been prepared in accordance with part 8 of the Charities Act 2011 but also comprises a directors' report and a strategic report for the purpose of company legislation. The accounts have been prepared in accordance with the principal accounting policies set out therein and comply with the charitable company's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

Strategic report

Introduction

We are Access – The Foundation for Social Investment

We work to make charities and social enterprises in England more financially resilient and self-reliant, so that they can sustain or increase their impact.

We do this through supporting the development of enterprise activity to grow and diversify income, improving access to the social investment which can help stimulate that enterprise activity; and sharing the learning from how these programmes work.

Access will be around for a decade, but the need for this work will continue well beyond that. So our approach is to work through others to create partnerships which can outlive us, test and learn from new approaches, and generate knowledge which improves the work of others seeking the same goals.

We are in the second phase of our ten-year life and have an ambitious strategy in place. We have learned a great deal from our first few years, and have made a commitment to spend the majority of our endowment over this main middle phase of our life.

We have three main strands to our work:

1. Capacity Building

Funding a broad range of activities in partnership with other foundations, social investors, sector infrastructure bodies and enterprise advisors. This support aims to help charities and social enterprises to earn more of their own income through enterprising activity and specifically develop business models which can be further supported through utilising social investment. This work includes enterprise development, and investment readiness.

Strategic report (continued)

Introduction (continued)

2. Blended Finance

Managing and promoting blended finance models which bridge the gap between charities and social enterprises on one side and social investors on the other. These models help make the social investment easier to find and more relevant for charities and social enterprises, and help social investment reach parts of the sector which have not previously benefitted.

3. Listening, Learning and Sharing Knowledge

Learning from our programmes and listening to the changing investment needs of the sector in order to influence our future work and that of others who support charities and social enterprises; and building systems which make that knowledge easier to understand and use for the long term.

In addition to these three core activities, we seek to achieve social impact in everything we do, and take a “Total Impact” approach. Most significantly, we are investing our expendable endowment and any other funds received, to achieve positive social impact with a financial return to fund our grant making, thereby increasing the total impact made by the endowment over its lifetime.

We were created in 2014 with the support of our partners the National Lottery Community Fund (previously known as the Big Lottery Fund), Big Society Capital and the Cabinet Office. In 2016, responsibility within government for the Cabinet Office grant agreement with Access moved to The Department for Culture, Media and Sport (DCMS).

When reviewing the aims and activities of the charity and the provision by the charity of public benefit, the trustees have had regard to the general guidance provided by the Charity Commission. The trustees believe that the aims of the charity set out above are demonstrably for the public benefit.

Activities and specific objectives

Review of performance and achievement

2020 was a year dominated by the COVID pandemic; its impact on the charity and social enterprise sector and the partners with whom we work; an enforced transition to remote working for the Access team; and the need to carefully monitor our assets. It was also a year of significant progress for Access, including securing a further £30m of funds from dormant accounts to grow our blended finance work, and new leadership at a governance level with NickHurd taking over as chair and four further new trustees appointed in the second half of the year. 2020 marked the half way point in Access's planned 10 year life and the board began work to plan for Access's legacy and further share learning from our work so far.

Strategic report (continued)

Activities and specific objectives (continued)

Review of performance and achievement (continued)

1. Capacity Building

Our Capacity Building programmes are aimed at supporting the development of enterprising activity within charities and social enterprises in England and specifically develop business models which can be further supported through utilising social investment. They also help organisations who are at the point of seeking to raise investment and need some technical assistance to do so, and seek to strengthen the sector's infrastructure to support enterprise and investment. These programmes are funded by an expendable endowment from DCMS, to be spent down over ten years.

With our delivery partners we have worked on adapting our programmes to respond to the challenges of the pandemic and the changing needs of the charity and social enterprise sector, while maintaining our focus on Access's mission over the long term.

- ◆ The Enterprise Development Programme is designed to provide a broad range of support for charities and social enterprises, helping them make a transition to new enterprise models, or grow existing ones. While many enterprise based business models in the sector have faced significant short term challenges as a result of lockdown measures, the four sectors in which we are working (homelessness, youth, mental health and equality) have continued to see strong demand from charities and social enterprises to develop enterprising activity. At the end of 2020 80 organisations had joined the programme across the four sectors.

Towards the end of the year we committed to expanding the programme to two new sectors: the environmental sector and charities and social enterprises led by people from black and minoritised communities.

- ◆ The Reach Fund (run by the Social Investment Business) provides development grants for charities and social enterprises seeking to raise social investment. The grants are available via a range of approved social investors who act as Access Points. Demand for the programme reduced significantly from March 2020 following the initial lockdown. However demand in the previous year had run significantly ahead of budget and so the programme is now likely to spend on budget when the current delivery contract with Social Investment Business expires in October 2021.

🕒 Since the fund launched in 2016, 613 grants have been awarded, with a total value of £8.36m, at an average of £15.6k per grant.

🕒 At the end of December there were 30 active Access Points.

Strategic report (continued)

Activities and specific objectives (continued)

Review of performance and achievement (continued)

1. Capacity Building (continued)

- ◆ The Connect Fund (run by Barrow Cadbury Trust) is aimed at strengthening the social investment market in England to better meet the needs of charities and social enterprises. During 2020 the programme entered its second phase with a revised strategy focused on closer alignment with Access's strategic goals. During the course of the year seven grants were made across three themes of equality, diversity and inclusion in social investment, developing business support needs during the pandemic, and supporting intermediaries to develop proposals for Access's new flexible finance programme.

2. Blended Finance

In response to the impact of the pandemic on the sector, Access received £30m of further grant funds from dormant accounts in May 2020. Following agreement from DCMS, these were made available by the National Lottery Community Fund, who are the nominated distributor for dormant accounts funds, for three purposes:

- ◆ To support more charities and social enterprises to be able to access liquidity by enabling social investors offering emergency loans to offer a blended loan and grant product;
- ◆ To allow social investors to offer more patient and flexible social investment products to support the sector in the forthcoming recovery period; and
- ◆ To provide emergency support to social investment organisations if necessary.

Progress against these objectives was swift in the second part of the year. Five social investment providers have received commitments of £6.9m of grant, which will be drawn down over 2020 and 2021, enabling them to offer a blend of loan and grant to charities and social enterprises who required emergency investment during the COVID crisis, and whose ability to repay was less than their capital need, with the grant filling the gap.

By early 2021, those social investment providers had offered grants totalling £3.6m to 45 organisations, leveraging a further £10m in repayable finance which would not otherwise have been viable. £2.8m of this had been drawn down from Access.

During the summer Access consulted widely on the design of the Flexible Finance for the Recovery programme and decided on a co-design process with a number of social investment providers to determine the optimum use of grant to enable new products to flow to the sector and to leverage significant external capital. By November nine social investor partnerships had joined the design cohort and at the end of the year were working together in areas such as identifying product need in the sector, optimum use of subsidy, and embedding principles of equality, diversity and inclusion in the programme.

Strategic report (continued)

Activities and specific objectives (continued)

Review of performance and achievement (continued)

2. Blended Finance (continued)

Barrow Cadbury Trust took on the management of necessary emergency support to social investment organisations as part of the Connect Fund, and at the end of the year were assessing one application.

Significant work has gone in to adapting our existing blended finance programmes to respond to the impact of COVID.

The Growth Fund aims to tackle the gap in the supply of small loans, of under £150,000, for charities and social enterprises. With our partners in the National Lottery Community Fund and Big Society Capital at the start of 2020 more than £48m had been made available to 16 social investment funds in a blend of loan and grant. 434 investments had been made to charities and social enterprises from those funds.

To support both the social investors managing the funds and the charities and social enterprises who have received investments, a number of amendment to the programme were put in place including covering operating costs for the funds and not accruing interest for six months, allowing them to pass on repayment holidays to borrowers. Additional grants were also made available for the funds to offer to borrowers; £940k from the National Lottery Fund's existing commitment to the Growth Fund for grant to provide additional non repayable working capital where required, and £1m committed from Access's endowment to provide business support grants.

The ongoing national restrictions relating to COVID have resulted in slower than forecast deployment across the funds during 2020. Over the summer a major reforecasting exercise was undertaken with all the funds and it was agreed that a number would bring forward their deployment period. By the end of the year:

- ◆ 517 investments had been made into charities and social enterprises, representing c. 20% of the social investment market by deals done.
- ◆ The average size of investment is £66k.
- ◆ The median turnover of borrowers is £245k.

The Local Access programme uses £10m from dormant bank accounts to blend with circa £15m of Big Society Capital funds. Access has also committed a further £8m from its endowment. At the start of 2020 six places were chosen to use these funds to create place based blended finance and enterprise development programmes to help grow their local social economies:

Strategic report (continued)

Activities and specific objectives (continued)

Review of performance and achievement (continued)

2. Blended Finance (continued)

- ◆ Bradford;
- ◆ Bristol;
- ◆ Gainsborough;
- ◆ Greater Manchester (Bolton, Oldham, Stockport and Wigan);
- ◆ Hartlepool, Redcar & Cleveland; and
- ◆ Southwark in London.

During the course of the year each of the six places has been working on developing full investment and enterprise development proposals, and have received a development grant to do so. Many of the place based partners have been working hard to respond to the challenges of the pandemic in their communities, and therefore progress in developing these proposals has not been as swift as originally hoped. However by the end of the year Bristol's enterprise development plans were approved by the Access board and their investment plans are due to be presented to the Blended Investment Committee early in 2021.

3. Listening, Learning and Sharing Knowledge

With 2020 being the half way point in Access's anticipated ten year life, the board has begun to focus more attention on developing Access's legacy and a working group of trustees was formed in September to identify the key themes of Access's legacy. By the end of the year three areas had been identified: ensuring the continued flow of blended finance; encouraging more funders to support resilience building with enterprise support; and supporting charities and social enterprises to better understand their own business models. Over the coming year Access will build on these themes and identify how progress against these can be measured. During 2020 further progress was made in refining Access's measures of success and in how we measure organisational resilience.

To mark Access's mid-life point, the foundation also identified five key lessons from the first five years of our work and developed a series of podcasts featuring key partners and stakeholders to discuss these.

During the year we also published learning reports on progress made in the Enterprise Development and Local Access programmes, as well as refreshed quarterly dashboards and regular blogs about our work.

Strategic report (continued)

Activities and specific objectives (continued)

Review of performance and achievement (continued)

4. Total Impact

The trustees are committed to investing the £60M expendable endowment from DCMS to achieve total impact. This means investing to achieve the maximum social impact and, at the same time, ensuring our financial objectives and liquidity requirements are met.

During the year we contributed to the Association of Charitable Foundation's Stronger Foundation's report on Investing, where Access's total impact approach featured as a case study. We also finished publishing a series of six blogs, written by our learning partners, explaining the history of Access's approach, augmenting the resources already available including our investment policy statements and endowment impact report.

Future objectives and planned activities

While our work over the last year has responded to the implications of the global pandemic on Access's work and that of our partners, we have also maintained a clear focus on our mission and our existing strategic plan. Our work over the coming year will similarly see us pursuing our long term goals but in the context of continued day to day challenges for the organisations we exist to serve.

1. Capacity Building

During 2021 we will:

- ◆ Induct two new sector partners into the Enterprise Development Programme: the environment sector and charities and social enterprises led by people from black and minoritised communities. They will join the four existing sectors, two of which (homelessness and youth) are in their last year of the programme and our focus with them will shift to securing a legacy for EDP for their respective networks. We will also significantly progress our work to build a knowledge base of revenue models in each of the sectors we are working in and share these widely.
- ◆ Publish a second evaluation into the Reach Fund and make a decision about the future of the programme post the end of the current delivery contract in October 2021. Decisions about extending the programme at what budget and over what time period will be informed by the evaluation and by a reforecasting exercise for all endowment related programme spend to be undertaken in March.
- ◆ Work closely with our partners in the Barrow Cadbury Trust to support the Connect Fund to further enhance the social investment ecosystem.

Strategic report (continued)

Activities and specific objectives (continued)

Future objectives and planned activities (continued)

2. Blended Finance

In 2021 we will:

- ◆ Commit a significant amount of the £30m grant for COVID related blended finance programmes to social investors in our co-design cohort to enable them to develop new flexible and patient investment products for charities and social enterprises while also attracting significant new capital to the sector.
- ◆ Support the social investors delivering emergency lending with our blend as they complete their commitments, anticipated to be in the middle of 2021.
- ◆ Continue to work closely with the National Lottery Community Fund and Big Society Capital in managing the Growth Fund as the social investors respond to the impact of the COVID pandemic on their portfolios and ability to deploy new loans. We will also continue to share learning from the programme especially relating to the uses of subsidy.
- ◆ Support the Local Access places to launch and establish their enterprise development and investment programmes.
- ◆ Continue to make the case for long term blended finance supply for the sector.

3. Listening, Learning and Sharing Knowledge

In 2021 we will

- ◆ Make significant progress on defining Access's legacy and how we will measure our progress towards it. We will review how we resource our advocacy work to ensure we are having maximum impact.
- ◆ Continue to share learning from our individual programmes and across Access's work.
- ◆ Widely disseminate our five lessons from our first five years.

4. Total Impact

During 2021 we will continue to work closely with Rathbones to ensure that:

- ◆ We are maximising the opportunities for investing our endowment in line with our mission while beginning to actively manage liquidity as we progress towards the spend down point.
- ◆ We are sharing learning from our endowment management approach with other foundations as relevant.

Governance, structure and management

Governance

The names of the trustees who served during the period are set out as part of the reference and administrative details on page one of this annual report and accounts. Brief biographical details on each of the current trustees can be found on our website.

The trustees are committed to ensuring that the Board has the combination of skills necessary to support the effective provision of access to capital to charities and social enterprises. In particular, the Board of Trustees includes skills and expertise in the following areas: social investment, community regeneration and social enterprise, business, and financial and risk management.

The Board has fully adopted the Charity Governance Code and ensures compliance through regular review. The Board of Trustees reviews its own performance regularly and acts on any feedback received as a result of the evaluation process. The board plans to conduct a performance review again in 2021.

Key management personnel

The key management personnel of Access comprises the trustees, the Chief Executive and senior leadership team. Remuneration is overseen by the Audit, Risk and Compliance Committee (ARCC). In order to ensure that the remuneration policy reflects the charitable sector that it serves, Access staff receive no more than an annual inflationary increase, subject to affordability and in line with relevant benchmarks and reflective of the conditions in the social sector. An exception will be made if a role has materially changed or the market rate has increased (as confirmed by external benchmarking), in which case a pay increase beyond the rate of inflation may be considered

Statement of trustees' responsibilities

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and 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 charity and of the incoming resources and application of resources, including the income and expenditure of the charity 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 Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;

Governance, structure and management (continued)

Statement of trustees' responsibilities (continued)

- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure and management reporting

Access is a charity and company limited by guarantee, with one legal member, the Oversight Trust (formerly the Big Society Trust). The Oversight Trust is also the majority shareholder of Big Society Capital, and the sole legal member of Fair for All Finance and the Youth Futures Foundation. As the sole legal member, the Oversight Trust agrees to contribute £1 in the event of the charity winding up.

Access is governed by the Board of Trustees. The Board of Trustees has six scheduled meetings a year, including an annual strategic away day. Other meetings are called as required. The trustees delegate the day-to-day management of Access to the Executive team.

The Audit, Risk and Compliance Committee (ARCC) is one of two formal subcommittees of the Board, comprising four trustees. The ARCC is responsible for the relationship with the auditors, ensuring the integrity of Access' accounting and financial practices, examining and reviewing all systems and methods of control including financial and risk management, all HR matters and policies and ensuring that Access complies with all aspects of the law, relevant regulation and good practice. The ARCC has four scheduled meetings a year and other meetings are called as required.

The Endowment Investment Committee (EIC) comprises two trustees and two external members. The EIC is responsible for the relationship with our investment managers (Rathbones), and its role is to monitor both the social impact and financial performance of the social investments that are being managed on Access' behalf by Rathbones from the endowment funds provided by DCMS and the treasury management of the dormant account funds. The EIC has four scheduled meetings a year and other meetings are called as required.

Risk management

To ensure that risks are managed and mitigated, a risk register is in place, which enables Access to identify and evaluate both strategic and operational risks, and the actions needed to mitigate these risks, taking into account existing and proposed controls. The ARCC reviews the risk register on a quarterly basis.

Governance, structure and management (continued)

Risk management (continued)

In addition over the last year the trustees have closely monitored risks relating to the impact of the COVID-19 pandemic on Access's work including: how programmes have needed to adapt and respond to ensure the resilience of the organisations which Access exists to support, the impact of the pandemic on the health of the holdings in Access's endowment, and the impact on the operations of the charity. The board is confident that Access has managed these risks effectively.

The key strategic risks which the organisation is currently managing relate to the longer term legacy of Access and that in order to achieve its mission, the foundation needs to ensure that it is influencing the broader social investment ecosystem so that key aspects of its work can continue once the organisation closes. This is mitigated by Access's learning and advocacy work and increasingly by the board's greater focus on legacy work.

The ARCC is also actively managing risks relating to specific programmes and the impact of COVID on the organisation's work.

Grant making policy

Access is able to award grants in a variety of ways, namely via the blended finance programmes, Capacity Building programmes or for research work as part of the Learning, Listening and Sharing Knowledge strand. In awarding grants, we apply the following principles:

- ◆ The ultimate objective of the grant should be to increase access to finance for charities and social organisations and/or to support the growth of the social investment market.
- ◆ The grant may be used by recipients to fund or support charities and social organisations directly or to enable other intermediaries to provide appropriate funding or support to such charities or social organisations.
- ◆ The applicant will need to evidence the use of grant in increasing the efficiency and effectiveness of charities and social organisations.

We do not consider applications for any activities which are outside the Access objects; any activities which are not considered charitable in accordance with the laws of England and Wales; any political or commercial appeals; and any to the benefit of the trustees or anyone related to the trustees.

Applications must be submitted in accordance with our stated programme areas and will be subject to due diligence and a multi-stage decision making process. Grant recipients will be subject to monitoring, feedback requirements and evaluation. The terms of such monitoring and evaluation will vary depending on the type of funding and the programme area funded and details will be set out in the agreement between the recipient and Access.

Investments + Treasury

Endowment

The Capacity Building programmes, Listening, Learning and Sharing Knowledge work, and a portion of Access' running costs is funded via an expendable endowment, granted by DCMS. Our mandate is to invest our expendable endowment to achieve positive social impact with a financial return to fund our grant making, thereby increasing the total impact made by the endowment over its lifetime. This is part of our "Total Impact" approach. An Investment Policy Statement (IPS) has been approved specifically for the endowment and the endowment's investments are managed in line with that policy.

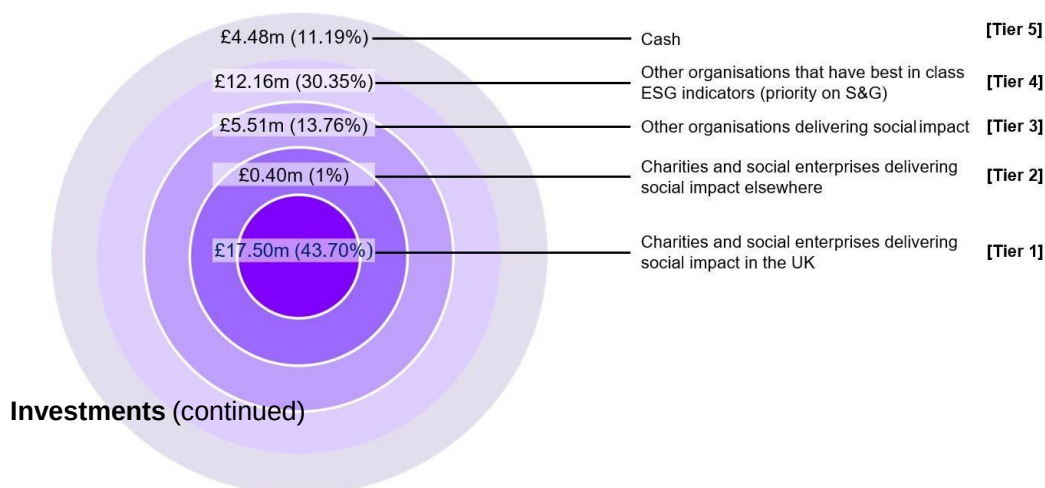
Rathbones were appointed as the endowment's asset managers in early 2016 and at year end, they had £40.0m (2019 - £38.7m) of its assets under management. Rathbones manages our endowment in accordance with the endowment IPS. The IPS details the financial and social objectives of the portfolio, as well as any constraints that Rathbones needs to adhere to. It includes guidance on the permitted investments, liquidity requirements, risk management, benchmarking considerations, roles and responsibilities and reporting requirements.

In terms of the impact that the portfolio will seek to achieve, we have adopted a tiered view of the varying degrees of impact. In descending order, Access invests in:

1. Charities and social enterprises delivering social impact in the UK – at 31 December 2020 this was 43.70% of total investments (Tier 1 or referred to as the "bull's eye")
2. Charities and social enterprises delivering social impact elsewhere – at 31 December 2020 this was 1.00% of total investments (Tier 2)
3. Other organisations delivering social impact – at 31 December 2020 this was 13.76% of total investments (Tier 3)
4. Other organisations that have best in class Environmental, Social and Governance (ESG) indicators (with a priority on S&G) – at 31 December 2020 this was 30.35% of total investments (Tier 4)
5. Cash -11.19%

This is best represented by a diagram shown below:

Portfolio mapped to the Bull's eye frame work as at 31 December 2020



Investments + Treasury (continued)

Endowment (continued)

Impact reports are published on our website. The latest report is for the period to June 2019.

In 2021 we will be publishing our impact report for the 18 months to 31 December 2020 and thereafter reports will be published annually for each calendar year.

Capital Preservation Funds

A fund is managed for capital preservation when the Board is of the view that the funds should only be placed on deposit with suitable banks and that it is not appropriate to invest these funds partly or fully in a bond portfolio or other financial products.

As 31 December 2020 there were two Capital Preservation Funds:

- ◆ The £10m Local Access Dormant Accounts Fund; and
- ◆ The £30m Covid-19 Recovery Dormant Accounts Fund.

An Investment Policy Statement (IPS) has been approved specifically for capital preservation funds and these funds are managed in line with that policy. The primary investment objective is to invest each Fund using a “total impact” approach, achieving both financial and social impact, in line with how Access invests its expendable endowment. The investment of these funds is managed in house.

The financial objective is to preserve the capital of each Fund prior to expenditure. A financial return in line with the appropriate deposit rates is targeted over the period that the capital is invested and with a liquidity profile that is appropriate for the time horizon. The capital is held with banks that best align with the “Bulls Eye” approach developed by Access subject to the opportunity set and consideration of other risk factors.

Investment performance - Endowment

Rathbones continued to act as our asset manager throughout 2020. At 31 December 2020, the market value of these investments stood at £40.0m (2019- £38.7m) which included cash held of £ 4.5m (2019-£0.4m). The cost of these investments amounted to £40.6m, and there was an unrealised gain on the change in market value of £25k. Income from this investment portfolio amounted to £1.5m.

The market value of the charity's investment portfolio fell materially in late March 2020 as a result of the pandemic, but later in the year the market recovered and overall a gain of £25k was made on the portfolio.

The investment portfolio achieved a Time Weighted Return (TWR) for 2020 of 3.57%. (2019 5.06%) The target TWR per year is 2-3%. The trustees are satisfied with the performance of the investments, both in terms of financial return and social impact generated.

In relation to the management of the spend-down endowment, the Endowment Investment Committee (EIC) closely monitor risks, and work with Rathbones, the charity's asset managers, in seeking to mitigate those risks.

Investments + Treasury (continued)

Investment performance - Endowment (continued)

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised.

To mitigate credit risk during the last year the EIC worked closely with Rathbones to monitor the health of the underlying holdings in the portfolio, including through reviewing reports directly from the bond issuers and analysing wider market information. This strategy resulted in a small number of sales of holdings in the outer tiers of the bull's eye model however there have been no defaults in the portfolio over the course of the year.

Liquidity risk has also been closely monitored during the course of the year through regular reforecasting of anticipated programme spend, and modelling of any future sales of bonds required to meet that spend. The EIC and board have discussed strategies for reducing illiquidity in the portfolio towards the end of the life of the endowment (from 2023 onwards) and following the year end £3.1m of relatively illiquid holdings have been sold to reduce liquidity risk in the longer term.

Financial review

Results for the period

The Statement of Financial Activities (SOFA) shows that Access's result for the year, before investment gains and losses, was a surplus of £0.68m (2019 – deficit for the year of £3.36m). The surplus reflects the spend-down of our endowment in accordance with our mission (£0.76m) offset by grants received and investment income from the endowment.

Income from grants in 2020 was £7.97m (2019: £ 4.05m). The 2020 grant income includes recognition of £2.83m of income from the £21m tranche of dormant accounts funding received for Covid recovery. As explained in the notes to the financial statements, income from this stream of dormant accounts funding is being released on a performance basis - i.e. in the period in which it is applied. Grant income also includes £136k (2019 - £151k) earned as a result of the Service Level Agreement in place with the National Lottery Community Fund for running the Growth Fund.

Other sources of income include investment income of £1.60 m (2019 - £1.61m)

The charity's endowment will be spent over the next five years on our Capacity Building and Listening, Learning and Sharing Knowledge work. It will also be used to part fund the running costs of Access.

The £10m Local Access Dormant Accounts Fund covers part of the cost of the Local Access (Place Based) Blended Finance programme developed with Big Society Capital. The balance of that programme is being funded by £8m of Access's endowment. The £10m restricted fund is expected to be spent over the next four to six years. The relevant portion of support costs are being charged to the £10m fund.

Financial review (continued)

Results for the period (continued)

It is not yet possible to determine how long it will take to spend down the £30m Covid Relief Dormant Accounts Fund as the allocation of the funding in its largest element – the Flexible Finance for the Recovery programme - has not yet been finalised. The relevant portion of support costs are being charged to this fund.

Despite the slowdown caused by the pandemic, during the year to 31 December 2020 expenditure on charitable activities totalled £8.7m (2019; £8.9m) made up as follows:

	2020	2019
	£m	£m
Capacity Building	4.5	8.4
Blended Finance	3.8	0.3
Listening Learning and Sharing knowledge	0.4	0.2
	<u>8.7</u>	<u>8.9</u>

In addition to grants, these costs include project management costs which relate to the functioning of robust and effective programmes and include the costs of partner organisations administering the programmes on our behalf.

Our office running costs are relatively low due to the fact that we are a lean organisation and work through partnerships. The average FTE increased in 2020 to 8.00 (2019 – 6.91).

Staff costs for the year were £506k (2019 - £436k).

Costs were incurred of £116k (2019 - £123k) on raising funds, which relate to the fees paid for the management of the short term deposit accounts and fees paid to investment managers, Rathbones, for the management of the investment portfolio.

Reserves policy and financial position

The balance sheet shows total funds of £ 58.89m (31 December 2019 - £50.18m).

These funds include expendable endowment funds of £34.53m (2019 - £35.28m). Whilst the income from these funds may be used for general purposes of the charity and is held as unrestricted reserves, the Trustees' current plan is to use that income over the next five years to fund our Capacity Building programmes, and to part-fund the running costs of Access.

As detailed in note 11, the market value of the charity's investment portfolio is now £40.05m (2019 - £38.67m). This reflects the recovery of asset values after the dip in market value at the start of the pandemic (late March 2020) and the fact it was not necessary for Access to draw on the investment portfolio in 2020 as endowment activity in that year was largely funded by the final £5m of the endowment received from DCMS in 2020.

Financial review (continued)

Reserves policy and financial position (continued)

Included in total funds is an amount of £ 9.9m (2019 - £10.0m) which is restricted. This consists of two funds:

- ♦ The £10m Local Access Dormant Accounts Fund: Created from the receipt in 2018 of £10m of dormant account funds for a Place Based Blended Finance programme (known as Local Access).
- ♦ The £30m Covid Relief Dormant Accounts Fund: Created from receipt of a £21m tranche of the £30m dormant accounts funding to grow our blended finance work. (As at 31 December 2020 £18.2m of the £21m is treated as deferred income).

Full details of restricted funds can be found in note 15 to the accounts together with an analysis of movements in the period.

No funds have been designated, or set aside, by the trustees for specific purposes. General funds of the charity at 31 December 2020 total £ 6.4m (2019 - £4.90m). These funds are represented by tangible fixed assets with a net book value of £2k and with the remainder being "free reserves".

The core of Access' grant making programmes and running costs are funded via an expendable endowment of £60.65m from DCMS, the final £5m of which was received in 2020. The £60.65m will in turn continue to be spent over the next five years in the delivery of Access' programmes. Given that the endowment fund is essentially an income fund rather than that of a capital nature, a traditional reserves policy is not considered necessary. Access will receive all funding ahead of when these resources will be committed and therefore the funds are considered adequate to meet the running costs of Access as well as the grant funding of our programmes.

In the latter part of Access' life, the grant commitments and running costs will be carefully managed to ensure that the remaining expendable endowment is available and sufficient to fund these commitments.

The charity's assets

Acquisitions and disposals of fixed assets during the period are recorded in the notes to the accounts.

Fundraising statement

Access does not actively solicit donations directly from the public and therefore is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. Were donations from individuals or trusts and foundations to be received, Access would ensure personal data is appropriately protected.

Trustees' report Year to 31 December 2020

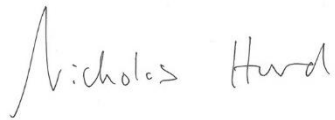
Auditors

Each of the trustees confirms that:

- ♦ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ♦ the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the trustees and signed on their behalf by:

A handwritten signature in black ink that reads "Nicholas Hurd". The signature is written in a cursive style, with the first name "Nicholas" and the surname "Hurd" clearly legible.

Nick Hurd
Trustee

Approved by the trustees on: 24 May 2021

Independent auditor's report to the members of Access – The Foundation for Social Investment

Opinion

We have audited the financial statements of Access – The Foundation for Social Investment (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, and statements of cash flows, the principal accounting policies and notes to the financial statements. 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 31 December 2020 and of its 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 charitable company 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 charity'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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' report including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report including the strategic 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' report including the strategic 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, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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:

- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: 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), the Companies Act 2006 and the Charities Act 2011.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit, Risk and Compliance Committee.
- ◆ We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - ◇ Identifying and assessing the design effectiveness of controls in place to prevent and detect fraud;

Auditor's responsibilities for the audit of the financial statements (continued)

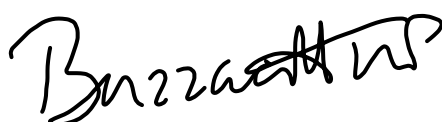
- ◇ Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- ◇ Challenging assumptions and judgements made by management in its significant accounting estimates;
- ◇ Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- ◇ Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the relevant financial statement item to which they relate.

We did not identify any irregularities, including fraud.

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. 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.



Edward Finch (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

23/6/21

Statement of financial activities Year to 31 December 2020

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 Total funds £'000	2019 Total funds £'000
Income and endowments from:						
Grants and other sources for charitable activities	1	—	2,971	5,000	7,971	4,051
Investments	2	1,595	2		1,597	1,609
Total income		1,595	2,973	5,000	9,568	5,660
Expenditure on:						
Raising funds	3	—	—	117	117	123
Charitable activities	4					
. Capacity Building		—	—	4,528	4,528	8,404
. Blended Finance		88	3,027	718	3,833	308
. Listening, Learning & Sharing Knowledge		—	—	406	406	187
Total expenditure		88	3,027	5,769	8,884	9,022
Net income (expenditure) for the year before losses on investments	6	1,507	(54)	(769)	684	(3,362)
Net investment gains/(losses)	11	—	—	25	25	639
Net income and net movement in funds		1,507	(54)	(744)	709	(2,723)
Reconciliation of funds:						
Total funds brought forward		4,900	10,000	35,277	50,177	52,900
Total funds carried forward		6,407	9,946	34,533	50,886	50,177

The statement of financial activities includes all gains and losses recognised in the period.

All of the charity's activities derived from continuing operations during the above financial period.

Prior year statement of financial activities Year to 31 December 2019

	Notes	Unrestricted funds £ '000	Restricted funds £'000	Endowment funds £'000	2019 Total funds £'000
<i>Income and endowments from:</i>					
Grants and other sources for charitable activities	1	—	151	3,900	4,051
Investments	2	1,609	—	—	1,609
Total income		1,609	151	3,900	5,660
<i>Expenditure on:</i>					
Raising funds	3	—	—	123	123
Charitable activities	4	—	—	8,404	8,404
. Capacity Building		157	151	—	308
. Blended Finance		—	—	187	187
. Listening, Learning & Sharing Knowledge		—	—	—	—
Total expenditure		157	151	8,714	9,022
<i>Net income (expenditure) for the year before losses on investments</i>	6	1,452	—	(4,814)	(3,362)
Net investment losses	11	—	—	639	639
Net income and net movement in funds		1,452	—	(4,175)	(2,723)
<i>Reconciliation of funds:</i>					
Total funds brought forward		3,448	10,000	39,452	52,900
Total funds carried forward		4,900	10,000	35,277	50,177

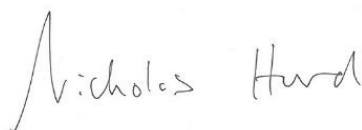
Balance sheet As at 31 December 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Fixed assets					
Tangible assets	10		2		2
Investments	11		40,047		38,675
			<u>40,049</u>		<u>38,677</u>
Current assets					
Debtors due within one year	12	273		67	
Cash at bank and in hand		<u>30,792</u>		<u>12,441</u>	
		31,065		12,508	
Creditors: amounts falling due within one year	13	(20,228)		(1,008)	
Net current assets			<u>10,837</u>		<u>11,500</u>
Total net assets			<u>50,886</u>		<u>50,177</u>
The funds of the charity:					
Endowment funds	14		34,533		35,277
Restricted funds	15		9,946		10,000
Unrestricted funds					
. General fund			6,405		4,900
Tangible fixed assets fund			<u>2</u>		<u>—</u>
			<u>50,886</u>		<u>50,177</u>

Approved by the trustees
and signed on their behalf by:

Nick Hurd
Trustee

Approved on: 24 May 2021



Access – The Foundation for Social Investment: A company limited by guarantee, Company Registration No. 09153909 (England and Wales)

Statement of cash flows Year ended 31 December 2020

	Notes	2020 £'000	2019 £'000
Cash provided by operating activities	A	18,102	(4,254)
Cash provided by investing activities	B	4,370	5,738
Change in cash and cash equivalents in the year	C	22,472	1,484
Cash and cash equivalents at 1 January 2020		12,803	11,319
Cash and cash equivalents at 31 December 2020		35,275	12,803

Notes to the statement of cash flows for the year to 31 December 2020

A Reconciliation of net movement in funds to net cash provided by operating activities

	2020 £'000	2019 £'000
Net movement in funds	709	(2,723)
Depreciation charge	1	1
(Gains) losses on investments	(25)	(639)
Investment income	(1,597)	(1,609)
(Increase) decrease in debtors	(206)	24
Increase in creditors	19,220	692
Net cash provided by operating activities	18,102	(4,254)

B Gross cash flows from investing activities

	2020 £'000	2019 £'000
Investing activities		
Payments to acquire tangible fixed assets	(1)	(2)
Disposal of tangible fixed assets	—	—
Investment income	1,597	1,609
Purchase of investments	—	(60)
Proceeds from disposals of investments	2,774	4,191
Net cash provided by investing activities	4,370	5,738

Statement of cash flows Year ended 31 December 2020

C Analysis of changes in cash and cash equivalents

	At 31 December 2019 £'000	Cash Flows £'000	At 31 December 2020 £'000
Cash held by investment managers	362	4,121	4,483
Cash at bank and in hand	12,441	18,351	30,792
Total	12,803	22,473	35,275

	At 31 December 2019 £'000	Cash Flows £'000	At 31 December 2020 £'000
<i>Cash held by investment managers</i>	493	(131)	362
<i>Cash at bank and in hand</i>	10,826	1,615	12,441
Total	11,319	1,484	12,803

Principal accounting policies Year ended 31 December 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of accounting

These financial statements have been prepared for the year to 31 December 2020.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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) ('Charities FRS 102 SORP 2015'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest thousand pounds.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ♦ Determining the value of investment holdings, where these are unlisted.

As set out in these accounting policies under "going concern", the trustees have considered the impact of the continuing pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because they consider the cash and reserves position of Access to be sufficient to support the charity for at least 12 months from the date of signing these financial statements.

Income

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Income is deferred only when the charity has to fulfil performance related conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Grants from government for Capacity Building are expendable funds that are specifically restricted to such activity. These income funds are put on deposit and invested prior to expenditure and have been included as endowment funds. In the year ended 31 December 2018 the charity received £10m of cash from dormant account funds, which was recognised in full in that year and presented within restricted funds, on the basis that it should be used to create a specific Blended Finance Programme.

In accordance with the Charities FRS 102 SORP volunteer time is not recognised.

In the year ended 31 December 2020 the charity became entitled to £30m of funding from the National Lottery Community Fund (NLCF). In line with the underlying grant agreement, amounts are drawn down by the charity periodically based on requests to the NLCF to support cash requirements for the subsequent period. As the funding is provided to support future activity it is initially recognised as deferred income in the balance sheet and taken to the statement of financial activities in the period in which it is applied. The income is conditional on it being used to fund expenditure furthering the social purposes or for the purpose of helping charities and social enterprises respond and recover from the Covid-19 outbreak. Income and expenditure is therefore shown in the restricted fund.

The National Lottery Community Fund Grant Budget for Growth Fund is considered a performance related grant on account of the service level agreement in place with the National Lottery Community Fund. This is included as a restricted grant on the basis that it is refundable if not applied for the purposes intended.

The Growth Fund itself is not recognised as income within the charity's financial statements as the income is not under the direct control of the charity.

Interest on funds held on deposit is recognised as accrued interest when the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure and the basis of apportioning costs

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. Direct costs are allocated to a specific activity. The classification between activities is as follows:

- a. Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising, and an allocation of support costs.
- b. Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include grants payable, other direct costs and support costs.
- c. Other expenditure includes all expenditure that cannot be analysed into the above two headings.

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. Office costs and property related costs are apportioned on the basis of the headcount related to the activity. Staff related costs are allocated in the same proportion as directly attributable staff costs. Included within support costs are governance costs which comprises audit fees, legal fees, recruitment expenses and trustees' remuneration and expenses reimbursed. All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets

All assets (other than IT equipment) costing more than £1,000 and with an expected useful life exceeding one year are capitalised. IT equipment costing more than £350 and with an expected useful life exceeding one year is capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- | | |
|----------------------------------|-------------------------------|
| ♦ Computer and similar equipment | 33.3% per annum based on cost |
|----------------------------------|-------------------------------|

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value. The fair value of fixed asset investments quoted in an active market is determined by reference to the official exchange or clearing house settlement prices at the close of business on the balance sheet date. For fixed asset investments that do not have official exchange settlement prices, the fair value is determined by reference to third party market values on the balance sheet date, determined by independent brokers. Those holdings for which there is no active market are valued at cost less any impairment.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main risks are credit risk and liquidity risk. The exposure to market risk is mitigated by the investment strategy which is to hold the majority of bonds to maturity, so gains or losses in the valuation of the holdings will largely remain unrealised. All gains (or losses) on investments are taken to the statement of financial activities as they arise. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value, or the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised investment gains and losses are credited (or debited) to the statement of financial activities in the year in which they arise.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than a month from the date of acquisition. Deposits for more than one month but less than one year have been disclosed as short term deposits. Cash placed on deposit by our investment managers Rathbones (£4,483k) is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Expendable endowment funds comprise monies which the trustees have the power to convert into income. Investment income therefrom is credited to unrestricted funds and applied for general purposes in line with the requirements of the donor.

Principal accounting policies Year ended 31 December 2020

Fund accounting (continued)

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Pension costs

The charity operates a defined contribution pension scheme. The amounts charged represent the contributions payable to the scheme in the period.

1 Income from grants and other sources for charitable activities

	Restricted funds £'000	Endowment funds £'000	2020 Total funds £'000
DCMS	—	5,000	5,000
The National Lottery Community Fund	136	—	136
Dormant Account Grant income	2,835	—	2,835
2020 Total funds	2,971	5,000	7,971

	Restricted funds £'000	Endowment funds £'000	2019 Total funds £'000
DCMS	—	3,900	3,900
The National Lottery Community Fund	151	—	151
2019 Total funds	151	3,900	4,051

2 Income from investments

	Unrestricted funds £'000	Endowment funds £'000	2020 Total funds £'000
Investment income receivable	1,464	—	1,464
Interest receivable	131	2	133
2020 Total funds	1,595	2	1,597

	Unrestricted funds £'000	Endowment funds £'000	2019 Total funds £'000
Investment income receivable	1,521	—	1,521
Interest receivable	88	—	88
2019 Total funds	1,609	—	1,609

3 Expenditure on raising funds

	Endowment funds £'000	2020 Total funds £'000
Investment manager fees	117	117

	Endowment funds £'000	2019 Total funds £'000
Investment manager fees	123	123

4 Expenditure on charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 Total funds £'000
Capacity Building				
. Grants	—	—	3,587	3,587
. Project management costs	—	—	764	764
Support costs (note 5)				
.. Office costs	—	—	34	34
.. Staff costs	—	—	130	130
. Governance costs	—	—	13	13
	—	—	4,528	4,528
Blended Finance				
Grants		2,736	682	3,418
Project management costs	—	39	36	75
Support costs (note 5)				
.. Office costs	17	48	—	65
.. Staff costs	65	186	—	251
. Governance costs	6	18	—	24
	88	3,027	718	3,833
Listening, Learning and Sharing Knowledge				
. Research costs	—	—	236	236
. Support costs (note 5)	—	—		
.. Office costs	—	—	33	33
.. Staff costs	—	—	125	125
Governance costs	—	—	12	12
	—	—	406	406
2020 Total funds	88	3,027	5,652	8,767

4 Expenditure on charitable activities (continued)

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2019 Total funds £'000
<i>Capacity Building</i>				
. Grants	—	—	7,151	7,151
. Project management costs	—	—	900	900
Support costs (note 5)				
.. Office costs	—	—	76	76
.. Staff costs	—	—	213	213
. Governance costs	—	—	64	64
	—	—	8,404	8,404
<i>Blended Finance</i>				
Support costs (note 5)				
.. Office costs	36	36	—	72
.. Staff costs	94	89	—	183
. Governance costs	27	26	—	53
	157	151	—	308
<i>Listening, Learning and Sharing Knowledge</i>				
. Research costs	—	—	130	130
. Support costs (note 5)				
.. Office costs	—	—	16	16
.. Staff costs	—	—	41	41
	—	—	187	187
2019 Total funds	157	151	8,591	8,890

Capacity Building:

Capacity building comprises work involving the consultation, design, implementation, monitoring and evaluating of grant based programmes to build the capacity of charities and social enterprises. This support helps charities and social enterprises to earn more of their own income and specifically develop business models which can be further supported through utilising social investment. This will help organisations become robust, competitive and sustainable by assisting them to participate in the social investment market and become better equipped to be investment-ready and secure new forms of investment.

Blended Finance:

Access manages and promotes blended finance models, which bridge the gap between charities and social enterprises on one side and social investors on the other. These include:

- ♦ The Growth Fund - a wholesale finance facility for social investors. It is operated by Access which provides support and operational services with finance from Big Society Capital and the National Lottery Community Fund. The objective is to provide access to capital that charities and social enterprises need when they are at early stages of growth or diversifying their business models by providing loans of less than £150,000. Access is represented on the Joint Investment Committee which reviews and approves applications for this funding.

4 Expenditure on charitable activities (continued)

- ◆ Local Access: The Local Access programme uses £10m from dormant bank accounts received by Access in 2018 to blend with circa £15m of Big Society Capital funds. Access has also committed a further £8m from its endowment. At the start of 2020 partnerships six places were chosen to use these funds to create place based blended finance and enterprise development programmes to help grow their local social economies.
- ◆ COVID 19 relief funding: In response to the impact of the COVID-19 pandemic on the sector, Access was awarded £30m of further grant funds under the Dormant Bank and Building Society Accounts Act 2008. These funds are being used to enable social investors offering emergency loans to offer a blended loan and grant product, to allow social investors to offer more patient and flexible social investment products to support the sector in the forthcoming recovery period; and to provide emergency support to social investment organisations if necessary.

Listening, Learning and Sharing Knowledge:

These activities enable Access to learn from our programmes and listen to the changing investment needs of the sector in order to influence our future work and that of others who support charities and social enterprises.

5 Support costs

Support costs comprise governance costs and other support costs:

	Charitable activities			
	Capacity Building £'000	Blended Finance £'000	Listening, Learning and Sharing Knowledge £'000	2020 Total funds £'000
Staff costs	130	251	125	506
Governance costs	13	24	12	49
Office costs	34	65	33	132
	177	340	170	687

	Charitable activities			
	Capacity Building £'000	Blended Finance £'000	Listening, Learning and Sharing Knowledge £'000	2019 Total funds £'000
Staff costs	213	183	41	437
Governance costs	57	49	11	117
Office costs	76	72	16	164
	346	304	68	718

5 Support costs (continued)

Governance costs include recruitment and legal fees. For details of trustee remuneration for their services and reimbursement of their travel costs see note 7.

Support costs	2020 Total funds £'000	2019 Total funds £'000	Basis of apportionment
Staff costs	506	437	Estimated time spent on each of the charity's core activities
Governance costs	49	117	
Office costs	132	164	
	687	718	

6 Net income

This is stated after charging:

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2020 Total funds £'000
Staff costs (note 7)	65	186	255	506
Auditor's remuneration				
. Statutory audit assurance	—	20	—	20
Depreciation	—	—	—	1

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2019 Total funds £'000
Staff costs (note 7)	102	81	254	437
Auditor's remuneration				
. Statutory audit assurance	—	10	10	20
Depreciation	—	—	1	1

7 Employee and key management remuneration

Summary

Staff costs during the period were as follows:

	2020 £'000	2019 £'000
Wages and salaries	412	354
Social security costs	48	40
Other pension costs	46	42
	506	436

Staff numbers

The average number of employees during the period, calculated on a full time equivalent basis, analysed by function, was as follows:

	2020 Number	2019 Number
Charitable activities		
. Capacity Building	1.00	3.23
. Blended Finance	5.01	3.23
. Listening, Learning and Sharing Knowledge	2.00	0.45
	8.01	6.91

The average number of employees employed during the year to 31 December 2020 was 8.01 (2019 – 6.91).

Higher paid employees

The number of employees earning more than £60,000 (including taxable benefits but excluding pension contributions) on an **annualised basis** are as follows:

	2020 Number	2019 Number
£60,001 - £70,000	1	—
£70,001 - £80,000	1	1
£80,001 - £90,000	—	1
£90,001 - £100,000	1	—

The Chief Executive received actual salary of £94.3k (2019 – £83.8k) in the financial year. The 2019 figure was lower due to a period of parental leave.

7 Employee and key management remuneration (continued)

Key management personnel

Key management personnel comprise the trustees, the Chief Executive and the Senior Leadership Team.

The total cost of employment of the key management personnel of the charity was £343,323 (2019 – £280k). Two of the trustees received remuneration in respect of their services during the period totalling £7.5k (2019 – £10k). During the period out of pocket travelling expenses amounting to £890 (2019 – £5.7k) were reimbursed to 3 (2019 – 6) trustees.

8 Insurance

The charity has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £17,636 (2019 - £14,933) and provides cover of up to a maximum of £2m for professional indemnity insurance and upto £5m for directors and officers liability.

9 Taxation

Access – The Foundation for Social Investment is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

	Plant, vehicles & IT equipment £'000	Total £'000
Cost or valuation		
At 31 December 2019	6	6
Additions	1	1
At 31 December 2020	7	7
Depreciation		
At 31 December 2019	4	4
Charge for period	1	1
At 31 December 2020	5	5
Net book values		
At 31 December 2020	2	2
At 31 December 2019	2	2

11 Investments

	2020 £'000	2019 £'000
Market value of listed investments at 1 January	37,792	41,284
Additions at cost	—	60
Proceeds from disposals	(2,774)	(4,191)
Net investment gains (losses)	25	639
Market value of listed investments at 31 December	35,043	37,792
Value of unlisted investments	521	521
Cash held by investment managers	4,483	362
	40,047	38,675
Cost of investments at 31 December 2020	40,608	39,432

Investments held a 31 December 2020 comprised the following:

	2020 £'000
UK fixed interest	40,005
UK equity	521
	40,526
	2019 £'000
UK fixed interest	38,313
UK equity	521
	38,834

At 31 December 2020 investments included the following holdings, which represented material holdings relative to the market value of the total investment portfolio held at that date:

	Market value of holding £'000	Percentage of portfolio %
Wellcome Trust Finance	2,218	5.54
London and Quadrant Housing	2,064	5.16
Dolphin Square Charitable FD	2,876	7.19
Places for People	2,180	5.45
A2D funds plc	2,079	5.20
Greensleeves Homes Trust	2,010	5.02

11 Investments (continued)

	2019 Market value of holding £'000	2019 Percentage of portfolio %
<i>Wellcome Trust Finance</i>	2,294	5.93
<i>London and Quadrant Housing</i>	2,000	5.17
<i>Dolphin Square Charitable FD</i>	2,067	5.34
<i>Places for People</i>	2,093	5.41
<i>A2D funds plc</i>	2,208	5.71
<i>Greensleeves Homes Trust</i>	2,895	7.49

All investments were dealt in on a recognised stock exchange where listed.

12 Debtors

	2020 £'000	2019 £'000
Due within one year		
Prepayments	16	12
Accrued income	90	55
Other debtors	167	—
	273	67

13 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	41	132
Money held as agents (see below)	1,406	727
Accruals	368	149
Deferred income	18,413	—
	20,228	1,008

The movement on money held as agents during the year ended 31 December 2020 was as follows:

	2020 £'000
Funds held as agents as at 1 January 2020	727
Funds received from the National Lottery Community Fund	4,764
Fund distributed to investors	(4,085)
Funds held as agents at 31 December 2020	1,406

13 Creditors: amounts falling due within one year (continued)

	2019 £'000
<i>Funds held as agents as at 1 January 2019</i>	175
<i>Funds received from the National Lottery Community Fund</i>	5,064
<i>Fund distributed to investors</i>	(4,512)
<i>Funds held as agents at 31 December 2019</i>	<u>727</u>

Access holds money received from the National Lottery Community Fund in order to distribute it to investors. The grant income and expenditure does not belong to Access and it is therefore not included within the SOFA.

14 Endowment funds

	At31 December 2019 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At31 December 2020 £'000
DCMS	35,277	5,000	(5,744)	34,533
	<u>35,277</u>	<u>5,000</u>	<u>(5,744)</u>	<u>34,533</u>

	At 31 December 2018 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2019 £'000
DCMS	39,452	3,900	(8,075)	35,277
	<u>39,452</u>	<u>3,900</u>	<u>(8,075)</u>	<u>35,277</u>

The funds were established as follows:

DCMS donated an expendable endowment fund to Access to support its charitable activities, including Capacity Building, Listening, Learning and Sharing Knowledge and a contribution to running costs. The funds may be invested in order to achieve a financial return. This financial return can be applied in furtherance of Access' charitable objectives and as such will be recognised as unrestricted income each year.

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances to be applied for specific purposes:

	At 31 December 2019 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2020 £'000
Dormant accounts (Local Access)	10,000	2	(56)	9,946
Dormant accounts (COVID-19)	—	2,971	(2,971)	—
	10,000	2,973	(3,027)	9,946

	At 31 December 2018 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2019 £'000
<i>National Lottery Community Fund Grant</i>	—	151	(151)	—
<i>Budget for Growth Fund</i>	—	—	—	—
<i>Dormant accounts</i>	10,000	—	—	10,000
	10,000	—	—	10,000

The specific purposes for which the funds are to be applied are as follows:

National Lottery Community Fund (formerly Big Lottery Fund) Income

This is funding for the administration and servicing of the Growth Fund. This includes the portfolio management of Growth Fund investees, provision of support and guidance to social investors including fostering a community of investees and promotion of awareness of the Programme.

16 Analysis of net assets between funds

	General funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2020 £'000
Fund balances at 31 December 2020 are represented by:				
Tangible fixed assets	2	—	—	2
Investments	5,514	—	34,533	40,047
Net current assets	890	9,947	—	10,837
Total net assets	6,406	9,947	34,533	50,886

	General funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2019 £'000
<i>Fund balances at 31 December 2019 are represented by:</i>				
<i>Tangible fixed assets</i>	<i>2</i>	<i>—</i>	<i>—</i>	<i>2</i>
<i>Investments</i>	<i>3,398</i>	<i>—</i>	<i>35,277</i>	<i>38,675</i>
<i>Net current assets</i>	<i>1,500</i>	<i>10,000</i>	<i>—</i>	<i>11,500</i>
<i>Total net assets</i>	<i>4,900</i>	<i>10,000</i>	<i>35,277</i>	<i>50,177</i>

	2020 £'000	2019 £'000
Total unrealised gains included above:		
On investments	(597)	638
Total unrealised gains at 31 December 2020	(597)	638
Reconciliation of movements in unrealised gains		
Unrealised losses at 1 January 2020	25	(1,715)
Less: in respect to disposals in the year	(5)	(6)
Less: in respect of impairments of investments in the year	—	—
	20	(1,721)
Add: net gains arising on revaluation in the year	(617)	2,359
Total unrealised (losses) gains at 31 December 2020	(597)	638

17 Ultimate parent undertaking

The Oversight Trust (formerly Big Society Trust) is considered to be the ultimate parent undertaking of the charity.

Access – The Foundation for Social Investment is a charity and company limited by guarantee, with one legal member, The Oversight Trust which is also the majority shareholder of Big Society Capital.

In the event of the charity being wound up The Oversight Trust would be required to contribute an amount not exceeding £1.

18 Related party transactions

Access leases office space from Big Society Capital, whose majority shareholder is The Overnight Trust. Rent is paid under an operating lease at a rate of £6,533 per month and this lease can be cancelled with one months' notice.

Other than those transactions described above and detailed in note 7, there were no other related party transactions during the period (2019 – none). There were no donations from trustees in the year (2019 – none).

19 Financial instruments

	2020 £'000	2019 £'000
Financial assets		
Financial assets measured at fair value through profit or loss	70,318	50,595
Financial assets measured at cost less impairment	521	521
	70,839	51,116
Financial liabilities		
Financial liabilities measured at amortised cost	(1,815)	(1,008)
	(1,815)	(1,008)

Financial assets measured at fair value through profit or loss comprise the majority of investments and cash at bank and in hand.

Financial assets measured at cost less impairment comprise investments which are not traded in an active market.

Financial liabilities measured at amortised cost comprise trade creditors, money held as agent and accruals.

Risks faced by financial instruments which are investments are that of volatility in fixed income markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in market sentiment within particular sectors or sub sectors.

Risks faced by financial instruments that are debt instruments and financial liabilities include counterparty risk.

20 Commitments

As at 31 December 2020, the charity was committed to paying out a further £4.1m of grants to social investment providers from the funding received from NLCF for Covid related emergency blended investment. The £4.1m is the difference between the commitments of £6.9m made by Access and the £2.8m drawn down from Access by 31 December 2020. This commitment will be recognised within expenditure as beneficiaries meet relevant criteria.