



## **REPORT AND FINANCIAL STATEMENTS**

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**FOR THE YEAR ENDED 30 JUNE 2015**



Transforming the charity  
thinkNPC.org



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## A MESSAGE FROM THE CHAIR OF TRUSTEES

NPC has continued to expand its reach over the last year. We are confident that this means we have provided more support to the sector than ever before, whether it be through work for clients, published research or through training and conferences. It is of course important that we evaluate the quality of our own work. It is reassuring that 92% of attendees at our workshops found them useful and that 97% of our clients say that they would recommend us to other organisations.

The range and breadth of our client base is important to us as it is one indicator of our ability to have an impact across the whole sector. This year, through the Impact Readiness Fund alone, we worked with six different charities and social enterprises from across the country and have also worked with funders like Cheyne Capital and the J Leon Group. We want to show our appreciation to all 88 research and consulting clients that we worked with last year and to all who interact with us, whether through attending conferences and training courses or even by using our website to access what we think is a wonderful source of information, knowledge and expertise.

We have always been more than happy to work with partners in order to maximise the quality and impact of our work. We are very proud of our work with the Ministry of Justice to develop the Justice Data Lab and with the G8 Social Impact Investing Taskforce, to name but two.

Huge thanks for the ongoing financial support of our supporters in the Supporters' Circle and to our trustees. Special thanks to Rishi Khosla and Fraser Hardie as they finish their terms on the board and welcome to Marcelle Speller who is already making valuable contributions to our strategic planning and thinking.

Last but by no means least, many thanks to the hard working staff at NPC who have a wonderful team spirit and show a total commitment to the work that we do and the clients that we support.



**Richard Atterbury**

## A MESSAGE FROM THE CHIEF EXECUTIVE

It seems a truism to say that the charity sector is always on a bit of a knife-edge, but recent events make this more real now than in many previous periods.

Fundraising will be affected by new rules around direct marketing, government money is getting tighter by the year and confidence has been sapped by things like the Kids Company collapse. Meanwhile the demand for youth services and those in health and social care, disability, mental health, domestic violence, homelessness show no sign of diminishing. You get the picture.

In such circumstances the role of NPC in helping the sector be as effective and impactful as it can is ever more important. We have been doing this through our consultancy work with a wide variety of charities and funders, as well as through our extensive think tank and policy work. And we increasingly think of impact as going beyond measurement and evaluation and on to strategy and responding to trends and events—be they digital or new commissioning approaches, changes in regulation and policy, or new forms of finance like social and impact investing.

This is why we set up and ran a Commission on the Voluntary Sector & Ageing to help the sector think through what dangers and opportunities demographic change bring; why we battled with government departments to get more of them to set up Data Labs so that administrative data can be used to help charities assess their impact; why we produced a ground-breaking report, *10 innovations in global philanthropy*, to track and encourage more innovation in what can be a rather traditional part of the sector; why we developed analysis of what is driving public trust in charities through our public polling; and why we worked with the Lankelly Chase to think through how funders could better promote systems change rather than focusing on good one-off projects; and with the charity Relate to publish an important report looking at how relationships impact on health and well-being.

We are increasingly part of policy conversations, bringing our impact-based perspective to a number of issues, ranging from our *Vision for change* manifesto in the run-up to the General Election to our interventions on how to make the Social Value Act more successful and Big Society Capital more transparent.

We take some lessons away from our experiences over the year including the power and influence that our convening role brings; the benefits of collaborating when we want to achieve more (not least in the Inspiring Impact programme); and the need to constantly cross-fertilise between what we do on the think tank and consultancy sides. As we refresh our three-year strategy we will be looking at how to build on this thinking.

My thanks to all who have worked with us, helped us, engaged with us (even when they have been critical of us), and especially to our Supporters' Circle which enables us to carry out some of our most innovative work. Thank you to my chair Richard Atterbury and my board of trustees who push me hard; and also thanks to my Chief Operating Officer, Jocelyn James, who retired after nine years in the job, helping NPC to become the strong organisation it is now. Lastly, thank you to the terrific set of talented and dedicated NPC staff who come into work every day eager to change the world.



Dan Corry

# ABOUT NPC (NEW PHILANTHROPY CAPITAL)

## Transforming the charity sector

NPC is a consultancy and think tank dedicated to helping charities and funders achieve the greatest impact possible for the causes they address and the people they serve.

Charities play a critical role in solving the social problems facing the UK today. In these difficult economic times, charities are more important than ever. So too is the vital role of an analytical and independent organisation like NPC, which injects fresh thinking and pioneers new approaches in the charity and non-profit sector so that it can respond as effectively as possible.

We work hard to harness the passion and commitment of charities and funders to help them become more successful and therefore achieve more.

## Our vision

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Our vision is for a charity sector that makes the most of its resources, improves more lives and achieves the maximum impact possible.

In this world, charities, social enterprises, funders and investors are clear about what they want to achieve, their strategies are based on evidence and a clear theory of change, and there is a focus on continual learning and improvement. Charities and funders work together to achieve common goals and they share information on what works—and what does not. The sector also has the infrastructure and policies in place to help maximise its impact.

## Our mission

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Our mission is to transform the charity sector by increasing the impact of charities, increasing the impact of funders, and strengthening the partnership between the two.

**Increasing the impact of charities.** NPC exists to make charities and social enterprises more successful in achieving their missions. Through rigorous analysis, practical advice and innovative thinking we make charities' money, efforts and energy go further and help them to achieve the greatest impact.

**Increasing the impact of funders.** NPC aims to make funders more successful too. We share the passion funders have for helping charities and for changing people's lives. We understand their motivations and their objectives, and we know that giving is more rewarding if it achieves the greatest impact it can.

**Strengthening the partnership between charities and funders.** NPC also brings the two sides of the funding equation together, improving understanding and enhancing their combined impact. We use our convening power to encourage dialogue and discussion and we also champion shared approaches to common problems.

## Our activities

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NPC occupies a unique position at the nexus between charities and funders, helping them achieve the greatest impact. We are driven by the values and mission of the charity sector, to which we bring the rigour, clarity and analysis needed to better achieve the outcomes we all seek. We also share the motivations and passion of funders, to which we bring our expertise, experience and track record of success.

As a **consultancy**, we work with charities, social enterprises, foundations, businesses, government and individuals to help them overcome obstacles to effectiveness, and to help us learn more about the issues the sector faces.

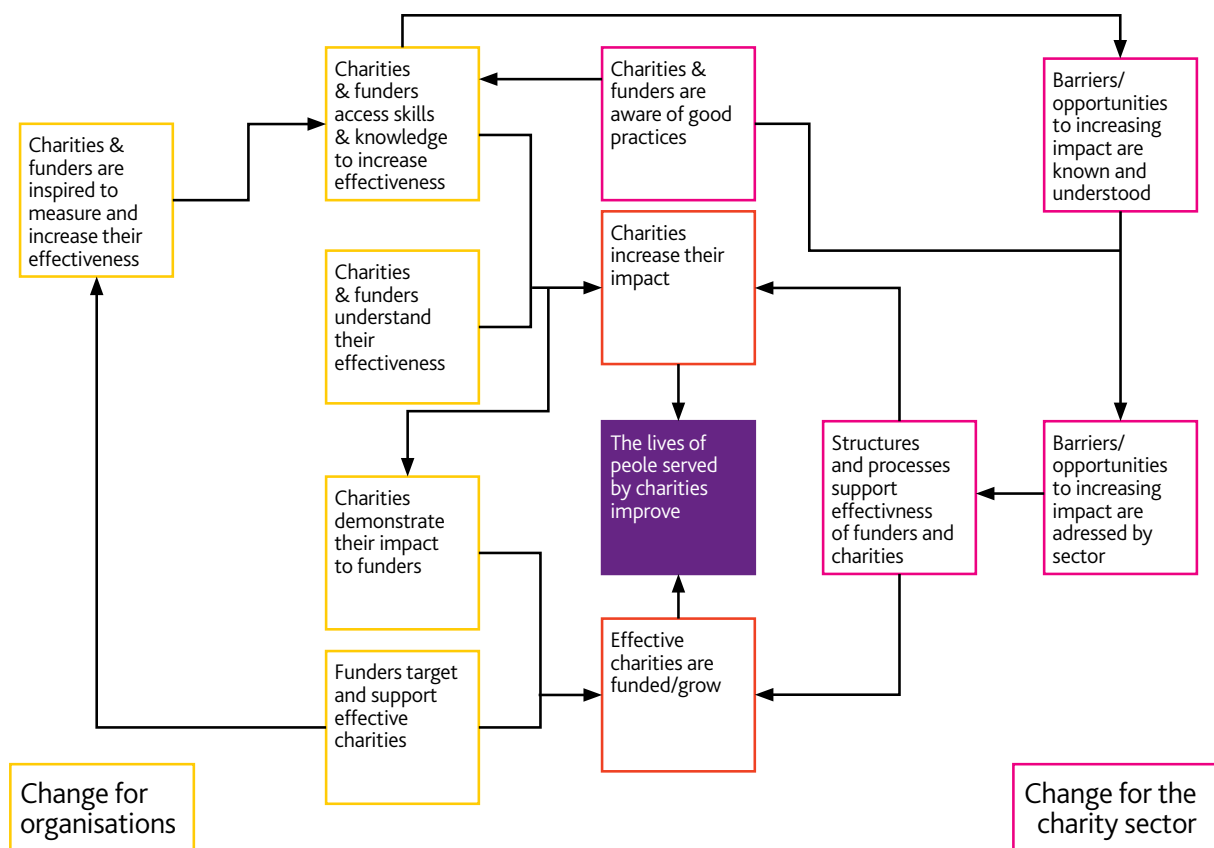
As the independent **think tank** for the charity sector, we shine a spotlight on the obstacles holding the sector back and develop solutions to overcome them. We inspire new thinking and catalyse change in practice and in policy so that the whole sector can achieve a greater impact. We also make connections, bringing together organisations and thinking and developing shared approaches.

NPC's dual role as a consultancy and a think tank means that it is ideally placed to understand and influence the sector and, ultimately, to transform it.

## Our theory of change

As articulated in our theory of change, our vision of a transformed charity sector is driven by our passion to improve the lives of the people charities serve. We target change at two levels: change within individual or small groups of charities and funders (shown in yellow); and change across the sector which affects many organisations (shown in pink). Our intermediate outcomes (shown in orange) are that charities increase their impact and that effective charities are funded.

This theory of change is at the heart of NPC's approach to measuring its impact. To track our impact, we collect and analyse data on the direct and indirect outcomes identified in our theory of change, and our outputs. This data is gathered from a range of sources including surveys of client and other stakeholders, feedback forms from participants at events and web analytics tools.





## ACTIVITIES AND ACHIEVEMENTS

NPC's work spans four main areas, and our key activities, achievements and case studies are detailed under these headings:

### Consulting

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Our research and consulting team works directly with charities and funders to deliver independent advice and support them to be more effective.

### Think tank

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Our think tank work pioneers solutions and provides an independent voice on issues affecting charities and funders.

### Communications

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Our communications activities are a critical part of our work—helping us disseminate our research, share our perspectives and engage in relevant debates.

### Special projects

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Our special projects take forward initiatives we have developed to help the charity sector.

## Consulting

In 2014–2015 we worked with **88** research and consulting clients—from charities, trusts and foundations through to philanthropists, businesses and government. That our clients appreciate the value we bring is underlined by the fact that 56% of our clients in the last year have used our services before and **97% of our clients say they would recommend us to others**.

Our work for clients ranged from strategic reviews to practical training workshops, and included developing theories of change and impact measurement approaches, providing strategic advice and operational support for grant-makers, and advising on social investment. We also delivered 13 public training workshops for 123 people on topics ranging from giving philanthropy advice to an introduction to social investment for charities.

We seek to understand and demonstrate the impact of these activities by surveying our clients after our projects have been completed, through delegate feedback forms and through individual case studies. Over the last year we received the following feedback from clients who responded to our recent surveys (19 in total):

- **95%** of clients said they are 'very likely' or 'quite likely' to **make changes** as a result of working with NPC.
- **90%** of clients found the **process of undertaking the project**, such as engagement with stakeholders, 'very useful' to their organisation.
- **62%** of clients said that, as a result of working with us, their own or their stakeholders' knowledge or skills around impact have improved.

Whilst the primary aim of our consulting work is to support organisations to make changes that will enhance their effectiveness, we also aim to extract lessons and insights from our consulting projects and to share these with a wider audience through think tank activities such as publications, seminars and conferences.

### Comments from clients:

*'Highly professional service, with clear enthusiasm and energy maintained from the outset. Most importantly, concrete guidelines and recommendations which can be turned into valuable outputs.'*

*'The outputs will be of great use in helping us support the sector in demonstrating their value to commissioners. The tools, in the long run, should help us improve our evidence around what works to reduce reoffending.'*

*'The theory of change we've developed with NPC is a central part of our new strategy. It has been a very useful tool in explaining what and why we do what we do. We've used it with staff, volunteers and external stakeholders.'*

## EXAMPLES OF OUR WORK



Cheyne Capital Management (UK) LLP, a leading European alternative investment manager, was new to social investment (also known as impact investment) when it approached NPC for support with its Social Property Impact Fund. The Fund lends money to social sector organisations that deliver services such as affordable housing and supported living. Cheyne sought NPC's expertise on social investing and measuring social impact.

'We wanted an organisation with a track record and with credibility in the sector. In NPC we found a team of pragmatic idealists that would be able to recognise—and help us to manage—the relationship between social and financial returns. NPC's independence and the fact that it doesn't have a stake in the financial returns achieved through our investments was also important to us', reflects Cheyne Social Property Partner, Shamez Alibhai.

To help Cheyne navigate its way in social investment, we provided guidance on carrying out due diligence on potential social investments and also offered advice on how to assess the social impact of potential investments.

*'NPC helped us think through complicated issues and its perspective was extremely valuable. The team bring lots of experience and reinforced our initial perception about the depth of market knowledge that NPC can offer—it's a really strong bench.'*

Shamez Alibhai, Social Property Partner, Cheyne



We were commissioned by the charity Relate to research relationships and health to feed into the wider The Best Medicine campaign on the importance of the links between relationships and long term health conditions.

We conducted a literature review of the research around relationships and health; interviewed government, charities, service providers and academics; facilitated a roundtable discussion with experts to review findings and develop recommendations; and contributed insights from our work on how to support and strengthen the health system. Relate—experts in relationship practice and policy—led the policy review and formulation of the final recommendations.

Our research demonstrates why policymakers should look seriously at relationships and their impact on health. As well as outlining the positive affect of support networks on patient recovery—that those of us with strong relationships are 50% more likely to survive life-threatening illness than people with weaker ones—it also revealed that good relationships can help prevent illness from occurring.

The research was launched at a panel event which included Dr Martin McShane, NHS England Director for Patients with Long Term Conditions and the findings received extensive media coverage, including 16 national pieces. Relate reports that the research has resulted in meetings with the Department of Health, Royal College of Nursing and NHS England to discuss further.



We conducted research for Oxfordshire Mind to evaluate the delivery of its Well-being Service. The service had been commissioned by Oxfordshire Clinical Commissioning Group (OCCG) since April 2011 and was being recommissioned. The aim of the evaluation was to identify areas for improvement in service delivery and monitoring, and to consider the alignment of the service with the emerging priorities of the OCCG.

We developed a theory of change for the Wellbeing Service, based on desk research, interviews with staff and meetings with senior managers and staff. We then analysed Oxfordshire Mind's existing data and conducted qualitative interviews with nine service users to look at how far delivery of the service reflected the theory of change, and assess the outcomes that the service had achieved so far. We also identified a number of areas in which Oxfordshire Mind could refine its approach to the delivery of the Wellbeing Service to improve measurement and evaluation practice and better evidence the service's impact.

We summarised our findings in a written report and also presented to Oxfordshire Mind's management team and commissioners from OCCG. Oxfordshire Mind have since used the work to strengthen the case when bidding for work, to inform a new strategy for 2016–2020 and to collect more helpful data—tracking people's journey and following up after they have left the service.

*'One of the most interesting things we learned was that we shouldn't think of the data as 'good' or 'bad', but instead focus on what the data tells us and how we can use it to improve our services. The theory of change has been incredibly useful and the report demonstrated to the CCG that we are delivering an effective service. NPC's work also helped us go into discussions with commissioners with confidence and gave us the ability to make persuasive proposals around data and outcomes.'*

Patrick Taylor, Director, Oxfordshire Mind



NPC is the evidence partner for the Young Foundation's Education Incubator and Investment Fund, which provides specialist capacity development and risk capital to social enterprises whose work raises the attainment of disadvantaged young people. Over the course of four years, we are working with up to 100 ventures from London and Nottingham to help them develop their theory of change, capture relevant impact data and ultimately evaluate their impact—improving their level of evidence over the course of the programme.

So far, we have worked with 30 organisations, some of whom are piloting their ideas, some with a more developed delivery model, and some who are scaling up. As the ventures are at different stages of development, we are working with each on a one-to-one basis, providing bespoke support, as well as developing some written materials.

## vInspired

We worked with vInspired, the national youth volunteering charity, to develop an overarching theory of change to support a new strategy and bring evaluation together across the organisation. This involved designing and facilitating theory of change workshops with staff to provide an unbiased environment for everyone to have their say—helping build ownership of the theory of change internally.

We also ran an external testing workshop with vInspired's stakeholders to engage them in the process and share early thinking. This was an exciting part of the process as it not only brought in valuable external thinking and perspectives, but it helped vInspired build stronger relationships with key players in the sector. It was a brave move, for which the charity was well respected by participants.

Throughout the project we provided strategic advice to vInspired and acted as a 'critical friend', helping the team work through the content and prioritise where necessary. We also advised on the measurement and evaluation framework, which vInspired is now developing across its programmes.

*'NPC provided a mix of high level support and understanding of the detail. The team was great to work with and I valued being able to pick up the phone and ask advice. NPC added credibility to the process and the theory of change is now central to our strategy and reporting'.*

Hannah Mitchell, Head of Knowledge & Innovation, vInspired



## Lankelly Chase

Systems change has been increasingly attracting the attention of those in the social sector who want to deal with the root causes of problems. But, despite the buzz, much of what is written is rather abstract and examples of success aren't often shared.

With the support of Lankelly Chase we developed a new guide to plug this gap—providing accessible material and recommendations for action. We undertook a wide-ranging review of the systems change landscape, including interviewing experts, reviewing key sources of literature, and convening an advisory group comprised of leading thinkers and practitioners who provided guidance and support throughout the research process. We used steering group sessions as a forum to debate and discuss our findings. It also provided a space for group members to learn and develop their own thinking on systems change.

The report aims to de-mystify the topic and help practitioners engage with systems change, both by clearly outlining what systems change is and by offering some practical principles to guide action. The guide has been very well received, with over 1,000 downloads within the first week of publishing and positive comments on social media. We plan to build on this work in the future by bringing the topic into more of our events—such as our annual conference—and embedding it into our consulting and research practice.



### Comments and feedback:

Thoughtful report on system change by @NPCthinks Agree with need for funders to convene networks for change

Ollie Smith, Guy's and St Thomas' Charity @olliewsmith

Really interesting, accessible paper by @NPCthinks on the topic of systems change

Centre for Effective Services @effectiveserv

For anyone thinking about systems change, see this v helpful guide @NPCthinks @LankellyChase

Nicky Wilkinson, British Council @NickyWilkinson2

Superb #SystemsChange guide from @NPCthinks @LankellyChase. Really great job demystifying what can seem complex area

Patrick Murray, National Housing Federation @PatrickMurray23



## women's aid

until women & children are safe


We worked with Women's Aid Federation of England—a national membership organisation for frontline domestic violence providers—as part of their involvement with the Cabinet Office's Impact Readiness Fund. Women's Aid were one of several charities NPC worked with to help them understand and improve the impact of their work.

Women's Aid approached us to support the group of members piloting On Track—their newly developed integrated outcome measurement and case management system which captures key data over the life of each case to demonstrate the impact of the specialist support being provided. We supported the seven pilot sites to make the best use of the data they collected for learning and improvement before the finished system was rolled out across the membership.

We visited and interviewed the seven membership organisations to understand their needs around using and reporting on their data. We then developed and delivered a training day which covered how to present, analyse, and report data, and how to use data to learn and improve. We then gave one-to-one, bespoke support to each of the seven member charities, helping them to work through organisation-specific challenges. Finally, we developed a support pack for all Women's Aid membership organisations to use alongside On Track in the future.

The people we worked with say they are now more knowledgeable about how to analyse, report and present impact data and that they will use what they have learnt to implement best practice on an on-going basis. The learning and materials produced by NPC will be shared across the 200-plus Women's Aid member organisations, to enable them to get the most out of the data collected through On Track in order to understand and improve the support they offer to women and children.

On Track is now being rolled out across the wider membership and anonymised national data gathered through the system will allow Women's Aid to evidence 'what works' to the wider domestic violence sector.






## J LEON GROUP

We have worked with the family-run investment company J Leon Group since 2012. We originally supported them to develop their giving strategy, which involved workshops to establish the objectives of the company's giving and advice on grant-making and appropriate funding structures. We trained members of the J Leon Philanthropy Council in our charity analysis methodology to enable them to assess potential grantees and set out a plan for how the company's giving would be administered.

Since then we have worked on a retainer basis, reviewing grantee reporting documents, meeting grantees, sharing sector insights and attending trustee meetings. Through our ongoing relationships we have encouraged some grantees to improve their measurement practice or governance. We also support the J Leon Philanthropy Council to be an effective funder, including with guidance on potential new areas of funding. In addition we annually facilitate a session for the company's interns which discusses philanthropy and what the role of corporate philanthropy should be.



## Think tank

Through our work as the independent think tank for the sector, we provide thought leadership and pioneer solutions. We draw on the insights gained through our consulting work to create sector-wide change, including by identifying issues that prevent the sector from achieving its potential, exploring ways to overcome them, and working with partners to catalyse the change needed.

Over the last year, we have become a more powerful voice in the charity sector, influencing policy and creating debate across a wide range of issues. We have achieved this through original research, practical projects and partnerships, public polling, targeted media activity and through the events we organise and speak at.

To understand how we influence the thinking and actions of the sector we survey our database of contacts every year. We received 327 responses to our survey in August 2015 and feedback included:

- **96%** of those respondents who believe they have been influenced by NPC say this will make them **'much more' or 'a bit more' effective**.
- **64%** of respondents agreed with the statement **'NPC is helping charities and social enterprises become more effective'**.
- Just **over half** of respondents (55%) agree that **NPC is playing a role in transforming the sector**, with only 9% disagreeing with this statement. The rest didn't feel able to comment on our role.
- **56%** stated that **NPC has influenced their thinking** to a great extent or to some extent and of these, **38%** say that they **have taken action or plan to take action** as a result.

### Comments from the survey:

*'I think the work you provide is valuable, especially the research and tools. I regard NPC as informed, evidenced yet still a passionate voice within the voluntary sector.'*

*'I like the dynamic, forward-looking attitude and approach underpinned by rigorous, critical thinking.'*

### Think tank funding

NPC's work as a think tank is funded by grants and donations, alongside support for particular projects from foundations and corporates. Unrestricted funding plays a crucial role for NPC as it allows us to inspire and develop new, better ways of working to improve the effectiveness of the charity sector

**NPC's Supporters' Circle**, a network of committed supporters whose funding enables us to carry out our pioneering work, is now in its third year. This group of like-minded individuals has an appetite for new ways of working and shares our passion for making the charity sector more effective. As well as financial support, they also contribute ideas and expertise.



We are also grateful to Oak Foundation and Tuixen Foundation for their core funding. Together with the contributions from our Supporters' Circle, this provides us with the funding we need to explore new areas and opportunities and tackle social problems more effectively.

## EXAMPLES OF OUR WORK

### PUBLIC TRUST IN CHARITIES

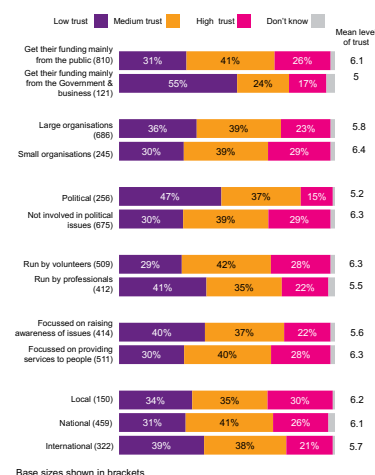
Building on last year's *Mind the gap* research, NPC has pushed ahead with its programme of work on public trust in charities. In the last year, the charity sector has faced fresh controversies and unparalleled criticisms around political activity, executive pay, campaigning and fundraising techniques. To understand some of the issues behind this, NPC commissioned Ipsos MORI to conduct an online poll of 1,000 adults across Great Britain. The polling took place in October 2014 and we produced four papers looking in depth at the research findings.

Key findings include:

- More than 1 in 3 people have doubts about charities, however the most common trust score given is seven out of ten.
- There is no one mental image of charities: the vast majority of people (67%) think mostly about large organisations when they think of charities (vs 25% who think of small organisations).
- There is no one public view of charities: based on the data we segmented the population into informed enthusiasts (35% of the population), uninformed enthusiasts (26%), uninformed detractors (20%) and informed detractors (15%).

On the strength of this work, NPC's James Noble spoke at a debate by the Institute of Fundraising on the topic: 'How successful are we as a sector in maintaining public trust?' And Sue Wixley was invited to respond to the Charity Commission's polling on public trust in its own work. The findings also generated discussion on social media channels and were picked up by the *Guardian*, *Thomsons Reuters* and *Third Sector*, among others. The papers have already been downloaded a total of 3,320 times from our website. NPC also contributed to a long-term, sector-wide initiative, spearheaded by sector bodies NCVO and CharityComms, on public trust in charities.

#### FACTORS ASSOCIATED WITH TRUST & CONFIDENCE



## DATA LABS

We have continued to progress our Data Labs project to open up government administrative data to the charity sector, and there have been a number of key achievements.

The Justice Data Lab (JDL) was confirmed as a permanent service at the Ministry of Justice (MoJ), which is something we worked hard for. An MoJ user feedback survey showed 83% found the Justice Data Lab service to be useful and 67% of respondents have made changes or improvements to their programme based on their JDL report. We continue to support the MoJ through coordinating regular meetings of the Justice Data Lab expert panel and through this we have put forward ideas for how the JDL can be improved, for example by increasing the number of metrics.

The Secretary of State for Work and Pensions announced a 'proof of concept' for a data lab in employment and we have provided DWP with details of charities that are willing to participate in this. Our project manager was seconded for three months to the Health and Social Care Information Centre (HSCIC) to write a business case for the development of a health data lab. We have also been developing a survey to inform the business case for an education data lab, working with the Fischer Family Trust who process the National Pupil Database for the DfE.

We also continue to engage with charities to help them make better use of data. We've increased awareness through our updated data labs website [www.npcdatalabs.org](http://www.npcdatalabs.org), through articles—including the academic *Evaluation Journal*—and by hosting events such as *Where next for the data revolution?* which was well attended and resulted in articles in the charity sector press. We also continue to present at external conferences and meetings at least twice a month—this has included at Clink's Reducing Reoffending Third Sector Advisory Group, Charity Technology Conference, London Voluntary Service Council, Government Statistical Society annual conference, Operational Research Society, UK Evaluation Society, Nuffield Trust Predictive Healthcare Conference and NCVO's voluntary research conference.







We launched the final paper of the [Commission on the Voluntary Sector & Ageing](#) in March 2015. This was the culmination of 18 months of research and consultation, including a series of roundtables on volunteering, BME organisations, charity chairs, workforce, philanthropy, and children and families. The report highlights that the voluntary sector is currently not ready for our ageing society and needs to adapt to grasp the opportunities this will bring. It identifies opportunities to do things differently and includes recommendations for sector bodies, individual charities, funders, policymakers and regulators for how we can all ensure the future is an age of opportunity for older people.

The report was launched with an event at ABI, chaired by NCVO's Martyn Lewis CBE, which prompted lively discussions and the Twitter hashtag #DecisionTime trending in London. A number of charities committed to incorporating the questions and recommendations into their strategic planning and we hope the work continues to stimulate shifts in thinking and in working.

*'This is an important report, a wake-up call to the sector to think radically and differently.'*

Justin Davis Smith, Executive Director of Volunteering and Development, NCVO

*'The report is a joy to read, presented in an engaging way and running to a mere thirteen pages. Essential reading for anyone who works in the voluntary sector or works with volunteers.'*

Rob Jackson, Third Sector

*'This initiative provides just the kickstart that the voluntary sector needs to embrace the demographic changes and opportunities ahead.'*

Martyn Lewis CBE, Chair, NCVO

*'We support the findings of the report – especially that charities will need to create interesting and creative opportunities to volunteer if they want to truly harness the potential of this important group.'*

Janet Thorne, CEO, Reach Volunteering

## HEALTH AND CHARITIES

This year we have developed our programme on health, building on our extensive knowledge of charities and health from our consulting work and research into areas ranging from cancer to mental health. Following our discussion paper identifying where charities have the potential to improve the quality of health services, *[Supporting good health: The role of the charity sector](#)*, we have been focusing on commissioning, prevention and influencing the system. This has included an event at Great Ormond Street with Professor Paul Corrigan which was attended by more than 50 leading figures in the health space, a roundtable with a range of charities and contributing to a Department of Health VCSE review.

We also analysed data on contracts awarded by Clinical Commissioning Groups, obtained by the BMJ through Freedom of Information (FOI) requests, to understand the distribution of contracts between NHS providers, private companies, charities and social enterprises.



*'An astonishing synthesis of so many complex issues – really helpful. We're in the process of majorly rethinking how we can help mental health wards, and the models of systems change you set out are exactly the structure to inform this process.'*

Marion Janner OBE,  
Chief Executive, Star Wards

## INNOVATIONS IN GLOBAL PHILANTHROPY

Launched in October 2014, *10 innovations in global philanthropy* highlights new ideas and initiatives from across the world that could be introduced in the UK to drive up investment in social causes and make better use of money invested. These include 'giving circles' in India, the approach taken by funders such as the Shell Foundation to learning from failure, and the innovative approach to finance pioneered by the Australian Goodstart consortium. NPC worked with global philanthropy leaders, such as Lucy Bernholz of Stanford University's Center on Philanthropy, to source these ideas. The report also explores trends such as open data, collaboration, 100% impact investing, and more.

Our research created a buzz on social media and received excellent media coverage, including *City AM*, online in the *Guardian*, specialist social impact media at *Pioneer's Post*, and in the corporate giving supplement in *The Times*. The report authors have spoken about the research in several forums in the UK and internationally and it has attracted comments as far afield as Bermuda and India. The report had been downloaded over 5,000 times by the end of the financial year. Among other ways that the ideas are being taken forward is in NPC's subsequent work with Lisa and Charly Kleissner, whose 100% impact investing was highlighted in the report.

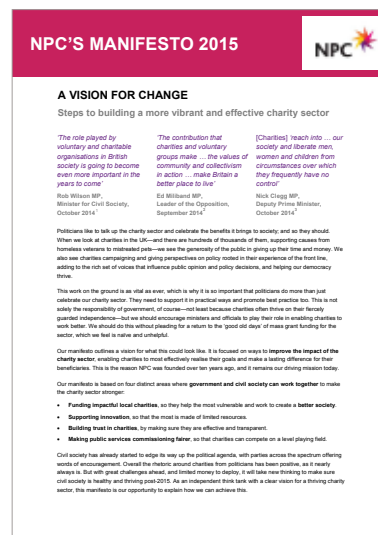


## INFLUENCING POLICY AND PRACTICE

NPC is increasingly participating in key policy debates about the sector—and we had a number of successes in the last year. In the lead-up to the General Election, we produced *NPC's Manifesto 2015: A vision for change* in which we set out a series of proposals for change to build a more vibrant and effective charity sector. These include four distinct areas where government and civil society can work together to make the charity sector stronger:

- Funding impactful local charities, so they help the most vulnerable and work to create a better society.
- Supporting innovation, so that the most is made of limited resources.
- Building trust in charities, by making sure they are effective and transparent.
- Making public services commissioning fairer, so that charities can compete on a level playing field.

We built on these themes in a range of responses, submissions and open letters throughout the year. Key wins include: our [recommendations for improving the Social Value Act](#) being taken forward by the Cabinet Office, and our call for more transparency in social investment being [accepted by Big Society Capital](#) and prompting the launch of a consultation on what greater transparency might entail.





We founded the [Inspiring Impact programme](#) in 2012—a collaboration of seven organisations that aims to make good impact practice the norm for charities and social enterprises by 2022. We continue to programme manage and lead a number of work strands, including shared measurement.

In 2015 we conducted a review of Inspiring Impact's first three years, which helped the partnership to understand what the programme had achieved so far, and where the work could be improved in future. The review included a survey, in which 97% of respondents agreed they found the Inspiring Impact website—which hosts free tools and resources—useful, while 94% said they had signposted others to the website or might do so in the future. Of those who had read the Inspiring Impact Code of Good Impact Practice, 75% said they had either started to review their organisation's impact practice or were planning to do so.

The review also identified areas for improvement in the future. Using the learning from this review, NPC developed a new strategy for the next three years of Inspiring Impact, which shifts the focus from developing tools to ensuring that more charities access and use the tools. We presented this new strategy in a proposal to the Big Lottery Fund, and in July received an unprecedented vote of confidence when Inspiring Impact was awarded a grant of £600,000 over the coming three years. Inspiring Impact will use this funding to build a community of 'Impact Champions' who will use their networks to promote good impact practice.

*'[Inspiring Impact's] Code of Good Impact Practice is one of those documents that sits on my desk so I can refer back to it'.*

Jenny Wood, Impact Arts

## Communications

Our communications activities help to drive change at both the organisational and sector level. We do this by ensuring that we communicate with clarity about our mission and services, by stimulating debates within the sector, and through our consultancy projects and think tank programme.

Over the last year we have focused on consolidating our digital activity which has resulted in **117,608** unique web users, **442,502** total page views and **174,075** publications downloaded from our website—bringing us to a total of 0.5 million NPC publications downloaded. We had a 20% increase in the number of followers on [Twitter](#), to **14,108**, and 58% increase in followers on [LinkedIn](#), to **968**. As well as expanding our reach on social media, we focus too on increasing levels of engagement and on monitoring this. For example, our social media campaign for the *10 Innovations in global philanthropy* paper generated a fivefold increase in the usual views on LinkedIn and some 50 likes and comments.

Feedback from our annual survey of NPC stakeholders demonstrates the impact of our online engagement, for example through our newsletter, website and social media. Almost **7 in 10 people (68%)** who interacted with us only online in the last year said we **influenced their thinking**; and **31%** said they **have taken action or plan to take action** as a result.

We continue to run a wide-ranging [events programme](#) and reached **1,747 people** via **34** events in 2014–2015. These included training workshops, public debates, seminars, launch events and conferences. We shrunk our events programme slightly this year in order to focus on developing and producing [Leading Impact 2015](#), our first independent conference. Another major event for us was our fourth [annual conference](#) in October 2014.

### Event feedback:

*'Really impressed by the range and quality of speakers and topic.'*

*'Good, calm & well organised event.'*

Our training workshops continue to make a difference. Feedback from participants from the 13 training courses we ran shows that **92%** of attendees found it useful. Eight out of ten participants (**78%**) say they will or might make changes as a result of what they have learnt on the day. One participant at our theory of change training workshops in the spring of 2015, for example, said that they would 'pick more appropriate metrics to track' as a result of the training and another planned to collaborate with their charity's senior management team in developing an organisational theory of change.

We have continued to increase the quality and quantity of our media coverage and over the last year have had coverage on the BBC and in *CityAM*, *The Guardian*, *Financial Times*, *Telegraph*, *The Times* and *politics.co.uk* among others. We have provided an expert view on issues that affect the sector—from innovation and responding to an ageing society to the role of the regulator—and appear in a wide range of sector publications and blogs including *Third Sector*, *Civil Society*, *Charity Times*, *The Fundraiser*, *Alliance* and *Spear's*.



## EXAMPLES OF OUR WORK



### SUPPORTING STRONG LEADERSHIP IN THE SECTOR

The role of senior leaders and charity boards is of course vital in driving high performance in charities and across the sector. NPC's work in this area spans an annual [Leading Impact](#) conference (in its third year), seminars for trustees with The Clothworkers' Company and a range of materials and blogs on governance and leadership.

In early 2015 we produced Leading Impact on our own—from creating the programme and briefing speakers to all the marketing and logistics for the day. The conference sold out and attracted a rich mix of participants from across the sector. It focused on how leaders can put impact at their heart of their organisation's culture and strategy and how to manage organisational change to make this a reality. The speakers ranged from the Charity Commission's CEO, Paula Sussex, who spoke about charities considering closing when their mission is accomplished to the chief exec of Children's Society, Matthew Reed, talking about 'the tenacity and sheer bloody-mindedness' required to embed an impact focus in an organisation.

Feedback from the day revealed that **100% of delegates felt their expectations were met** and **98% rated the programme for the day as excellent**. We will be exploring how to take forward our wide-ranging work on leadership and governance in the future.

*'Hearing different perspective on becoming impact focused is thought provoking.'*

*'The day gave me space to think and discuss with others.'*

## NPC'S ANNUAL CONFERENCE

Our annual conference in October, entitled in 2014 *High Impact*, attracted some 200 delegates. High-profile speakers included the Minister for Civil Society, Rob Wilson MP, the then Labour Shadow Minister for Civil Society, Lisa Nandy MP and Liberal Democrat peer, Baroness Barker. It was another important event for NPC's profile and demonstrated our ability to design a programme that can draw delegates from across the sector and create a splash on social media and the sector press. We are already working on our next annual conference, **NPC Ignites**, which will build on our track record of producing successful and inspiring events.



*'Lots of ideas and information to take away and put into action!'*

## OUR VOICE IN THE SECTOR

In addition to NPC's own platforms, such as our events, newsletter and blog, it is also important that our viewpoints are featured in the media and other organisation's blogs. In the last year, we have built on our existing relationships with the media to contribute to blogs and websites which reach wider audiences, such as *Alliance*, *Huffington Post*, *Pioneers Post* and *Spear's Magazine*. At the same time, we continue to invest on our PR and media work and to achieve successes in terms of coverage in the mainstream and niche media. In the last year, we have broken new ground in the financial press, with coverage in the *Financial Times* and *Economist*, and in the policy press, with coverage in *politics.co.uk*.

@lliance

charitytimes

CIVILSOCIETY  
.co.uk

The  
Economist

FT  
FINANCIAL  
TIMES

theguardian

PIONEERS POST

THE  
HUFFINGTON  
POST

politics.co.uk

SPEAR'S

ThirdSector



THOMSON REUTERS

## Special projects: NPC's Well-Being Measure

NPC developed its [Well-being Measure](#) to help charities show the difference they make to the lives of the people they support—we know that many struggle to measure soft outcomes such as improvements in self-esteem, quality of relationships or happiness. This online survey-based tool is designed to be used with groups of 11–16 year-olds and was launched in September 2011 after a period of development and testing. A free trial of the tool attracted some 270 users and these have been converted to 96 sales and 69 paying customers to date. We have scaled back the sales and marketing effort for the tool significantly in the last year, relying largely on pay-per-click advertising and repeat business. In the last year, we have made 16 sales and have also delivered a number of consulting projects related to our Well-being Measure.



### TRI-BOROUGH—ADAPTING THE NPC WELL-BEING MEASURE FOR SPECIAL EDUCATION NEEDS

We were commissioned by London Boroughs of Hammersmith & Fulham, Westminster City and the Royal Borough of Kensington & Chelsea (the Tri-Borough) to adapt the NPC Well-being Measure for young people with special education needs (SEN).

The Well-being Measure had not been previously tested for use by young people with SEN, so this was a welcome opportunity for us to broaden its application. We embarked upon a series of consultations with young people with SEN through the schools and charities that support them. This allowed us to assess their needs and understand the way in which they interacted with the original Well-being Measure questionnaires.

Following piloting, we were able to produce several adaptations of the Measure for use of young people with SEN to suit varying age ranges and levels of need. These use the same statements on aspects of well-being like self-esteem, emotional health and resilience. However, they have been adapted to ensure they are accessible to these young people's needs—by clarifying the wording of questions, providing fewer questions, or adding visual elements to aid interpretation.

We plan to publish on our website a short paper outlining our process and the adapted questionnaires to encourage others to build on our work, suggest their own adaptations, and share their experiences of using the Measure with different groups.

# NPC'S ACHIEVEMENTS AND HIGHLIGHTS 2014-2015

## Consulting

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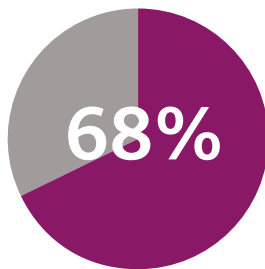
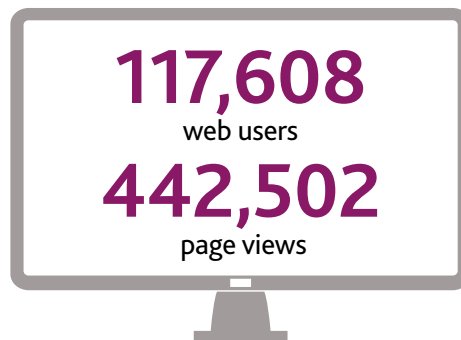
## Think tank

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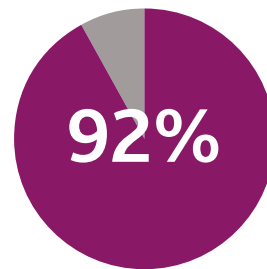


## Communications

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of people who  
interacted with us **only**  
**online** in the last year  
said we influenced  
their thinking



of training  
course  
attendees  
found  
it useful



## REFLECTIONS FROM THE YEAR

Here we summarise some insights from the last year.



- Across our consulting and think tank activities, we continue to see the importance of **our convening role**: we are able to bring together a community of leading thinkers from the sector in different ways and to mix together funders and charity leaders in a way that few other organisations can. Our independence helps enable this and provides us insight which helps to move the sector on, as illustrated by events like [Leading Impact](#) and publications such as [Insights on innovation: Lessons for the non-profit sector](#). We will continue to explore how to maximise the potential of this.
- We are very aware that to achieve our mission we need to **collaborate** with and work in partnership with other organisations and we have been doing more in this area, for example, through the [Inspiring Impact](#) coalition which we convene, manage and fundraise for, working in partnership with government departments and civil society organisations on [Data Labs](#), and our work on trust in charities where we have collaborated informally with sector bodies and the Charity Commission.
- Much of our strength in achieving our mission arises from the fact that we work as both a **consultancy and a think tank**. We need to maximise the benefits from this, while minimising the inevitable challenges that it can throw up organisationally. We have, for example, put a greater focus on knowledge management, built more integrated project teams and moved staff between the two functions. The links need to go both ways. As an example, we need to ensure that new approaches developed through the think tank, such as systems change, become a more standard part of conversations with funders and charities in our consulting work.
- We are taking an increasingly **systemic approach**: looking to understand how our work in one area affects another and what specific value we can bring. For example we are becoming clearer about where we are seeking to set the agenda on the major issues affecting the sector (for example through strategic initiatives like our Commission on Ageing & and the Voluntary Sector), moving the agenda forward by working with others (for example our work on public trust in charities) or responding to the agenda (for example through media comments or blogs).
- As always, the **mix of consulting work that we deliver is changing**, as is the market we are operating in. Demand for work on theory of change remains high, but thanks to our work in proselytising the idea, there are now more providers able to deliver this support. We need to consider what these changes mean for our work and mission. We have also been doing more client work with larger charities and are therefore more exposed to the issues that such complex organisations face in driving impact.
- We have been focusing more and more on **social investment and impact investing**, an important opportunity for the sector and an area where our unique perspective is especially relevant. This is an area where we will do more, particularly on measuring the social impact of such investments.
- Charities use of **data and digital** to improve their impact is a crucial agenda for us. We may need to expand our offering in terms of consultancy in this area while continuing with our strategic projects. Our work on digital transformation is opening possibilities of working with groups of charities to explore opportunities in their area.
- Much of our consulting and think tank work focuses on developing frameworks and identifying or providing the tools to be used by organisations. Yet we know through our work with many charities and funders that it is the implementation of these tools, and their integration into organisations, that can be the biggest challenge. We are therefore exploring how to we might better support **implementation** and bring insights on **culture change** and the role of leaders in driving this.



## REPORTING AGAINST LAST YEAR'S PLANS

In last year's annual report, we set out broadly what we wanted to achieve in the coming year. Here, we show how we have progressed against those plans. We focus on the aims of NPC as a whole, as we feel is more useful for assessing our success in working towards our vision for the charity sector.

### Consulting

Plan	Progress in 2014-2015
Be recognised as the leader in consulting advice for charitable funders including publishing guidance on how funders can establish and use the theory of change approach.	We have continued to grow our consulting work for funders this year, working on 43 projects with funders. These clients include household names, as well as lesser known funders. In December 2014 we published <a href="#">Theory of change for funders: Planning to make a difference</a> . This has been downloaded over 1,000 times and we have been working with individual funders on how they can use this tool. We expanded our training offering to include theory of change for funders. We also published <a href="#">Times of change</a> about how independent funders interact with charities who are commissioned for services.
Establish NPC as a leading charity strategy consultant, including publishing guidance on developing charity strategy and how impact measurement practices can be used to drive strategy.	Our clients are increasingly well known charities, some complex with large turnovers. And many of our projects have been repeat business or referrals. The advice they seek is generally bespoke, and the projects more strategic. We seek to spread our learning through blogs, public speaking, and publications. For example, we published <a href="#">Strategy for Impact: NPC's practical approach to strategy development for charities</a> , which sets out our approach and has proved valuable in helping charities develop their strategies and order their thinking. Alongside these technical tools, we have found that support with the softer challenges that arise during a change process is valued too.
Improve our measurement framework services and increase the impact of those services across the sector, including a continued focus on shared measurement approaches and the Journey to Employment (JET) framework in particular.	We have worked with 30 clients on their measurement practices over the last year, largely charities and social enterprises, and also some funders. This included framework development or training related to shared measurement initiatives, for example in the sectors of offender rehabilitation, domestic violence and relationship counselling. We launched a successful series of seminars focused on measurement issues, and have regularly spoken on our approach set out in <a href="#">Building your measurement framework: NPC's four pillar approach</a> .

## Think tank

Plan	Progress in 2014-2015
Commission on the Voluntary Sector & Ageing	This project culminated in a final report, <a href="#"><i>Decision time: Will the voluntary sector embrace the age of opportunity?</i></a> , which was well received. It sets out recommendations for charity trustees and leaders, sector bodies and their funders. The funding for this work is complete, but we continue to champion the importance of considering the ageing society. Others, including the Centre for Ageing Better, are also picking up the mantle. (See case study).
Data Labs	<p>We made good progress on the Justice Data Lab this year: it was confirmed as a permanent service at the Ministry of Justice and won two awards: Excellence in Official Statistics and Government Finance Insight Award.</p> <p>We continue to make the case for data labs in other areas and some progress has been made. The Department for Work &amp; Pensions announced they would be piloting an employment data lab and we are developing a case for establishing education and health data labs.</p> <p>We also continue with our work to increase awareness and engagement of charities to make better use of data, by building awareness through articles—including in the academic <i>Evaluation Journal</i>—and training and events such as a data debate we held in March. We also have a <a href="#">new website</a> which brings all the relevant information together. The skills, knowledge and contacts that we have built so far in this area is being used to develop a broader data strategy for NPC. (See our case study).</p>
Inspiring Impact	<p>The project finished its third year. An evaluation report, <a href="#"><i>Building a movement</i></a>, looked back at achievements which include:</p> <ul style="list-style-type: none"> <li>• More than 40,000 visits to the Inspiring Impact website since June 2013.</li> <li>• 97% respondents agreed or strongly agreed that the site was useful. 63% said they would recommend it to others.</li> <li>• Over 1,700 have signed up to the Measuring Up! tool, launched in June 2014 to help charities self-evaluate their impact.</li> </ul> <p>We will continue to build on these successes in the next year. (See our case study).</p>
Public trust in charities	We partnered again with Ipsos MORI to explore public trust and confidence in charities through a poll and we shared the main findings in a series of papers and through events and talks. This research was picked up in <i>Huffington Post</i> , <i>The Guardian</i> and <i>Charity Times</i> . It nudged the charity sector into action, kick-starting an initiative to promote greater transparency and swifter rebuttals to negative press. (See our case study).
Digital transformation	We did the groundwork for this project to explore how digital resources can be used more effectively within the sector to improve services. As well as sourcing funding for the first phase, we established a steering group and initiated cross-sector research. This has already confirmed the scale of the opportunity for digital transformation in the charity sector, and the enthusiasm for the creation of a coalition and programme of work to accelerate it.

Plan	Progress in 2014-2015
Achieving scale	We published a paper, <a href="#"><i>Growing pains: Getting past the complexities of scaling social impact</i></a> and held an event to discuss the challenges. We continue to think about how best to tackle scale-up issues in our client work, such as with the Stone Family Foundation.
Faith and charities	Our discussion paper, <a href="#"><i>Questions of faith</i></a> , outlined future research questions on how and whether a faith-based approach helps a charity. Our comments were covered by: BBC Radio Wales, Pioneers Post, The Tablet, Civil Society and Third Sector. We consulted numerous experts and stakeholders to discuss a future research project.
Health and charities	Building on our extensive knowledge of charities and health, from our consulting work and research into areas ranging from cancer to mental health, we convened a roundtable and published a discussion paper, <a href="#"><i>Supporting good health: The role of the charity sector</i></a> . This has already fed into consulting and think tank projects to explore the major challenges identified.
Social investment	We continue to focus on social investment, including through supporting charities and funders with strategic advice, training workshops and publications such as <a href="#"><i>Smart money: Understanding the impact of social investment</i></a> . NPC also co-chaired the Impact Measurement Working Group of the <a href="#"><i>Social Impact Investing Taskforce</i></a> , established by the G8. (See our case study).
10 innovations in philanthropy	This research, highlighting ten exciting innovations that are helping to grow global philanthropy in scale and in effectiveness, was launched in October 2015 at an event in London hosted by Barclays. (See our case study).
Leadership for impact	Our work in leadership and governance has been wide ranging and includes our successful <a href="#"><i>Leading Impact</i></a> conference in March, plus a range of other events and publications. (See our case study).
Public sector commissioning	NPC has an ongoing interest in public commissioning of charities. In the last year, we have made recommendations in our <a href="#"><i>Manifesto: A vision for change</i></a> , responded to the Social Value Act Review, provided advice to funders such as through <a href="#"><i>Times of Change: A briefing on public sector commissioning</i></a> . We have also continued to support the <a href="#"><i>Cultural Commissioning Programme</i></a> .
Campaigning	We've had a number of events on campaigning, including a public debate on <a href="#"><i>the future of campaigning</i></a> and produced a guide to measuring the effectiveness of campaigns, <a href="#"><i>Closing in on change</i></a> .
Other areas: funder collaboration, power dynamics & beneficiary voice	Our thinking is continuing to evolve on these topics and this is being shared through blogs and speeches.

## Communications

Plan	Progress in 2014-2015
Continuing to stimulate debate through our communications channels: using our events and social media to engage NPC's audiences on the issues of the day.	We continued to develop events that both set the agenda for the sector, such as how charities respond to an ageing society, and respond to the agenda of the sector, such as public trust in charities. We held 34 events last year, of which 7 were topical seminars and 13 were public training workshops. We live tweet most of our events to share the discussions with a wider audience, and also often produce <a href="#">Storify summaries</a> afterwards.
Continuing to refine our digital strategy: including ongoing development of NPC's website, as well as updating microsites.	<p>Last year we made a number of improvements to our website, including consolidating the sign-up process, improving the search function and updating the layout of our homepage. We have also developed a new section of our website to better present our programmes of work. In addition to our main site, <a href="http://www.thinkNPC.org">www.thinkNPC.org</a>, we also have a number of standalone sites for projects eg, <a href="http://voluntarysectorageing.org">voluntarysectorageing.org</a> and our conferences <a href="http://leadingimpact.org">leadingimpact.org</a> and <a href="http://npcignites.org">npcignites.org</a></p> <p>We have also progressed our visual communications this year, developing a number of infographics and imagery, including for <a href="#">10 innovations in global philanthropy</a> and <a href="#">Systems change: A guide to what it is and how to do it</a>. These have worked well on social media, as well as other communications channels and we will continue to build our expertise in this area.</p>
Increasing the quality and quantity of media coverage.	We have broken new ground with the financial press especially, appearing in the <i>Financial Times</i> and <i>Economist</i> , which reaches a key audience for us: philanthropists and their advisors. We have also broadened our pool of spokespeople and carried out further media training. We gained a foothold on the policy front through coverage of <a href="#">NPC manifesto: A vision for change</a> , among other things, in the sector press as well as political blogs and websites.
Ongoing collaboration with the consulting and development teams.	<p>The communications team continued to support the research and consulting team with client projects, including LankellyChase, Relate and Women's Aid. It also helped develop products to support NPC's consulting work, such as our charity strategy triangle, and fed into a number of proposals and tenders.</p> <p>The team also collaborated with the development team on projects such as Data Labs, Digital transformation, health and faith. We have made some progress with updating our marketing materials, including our Supporters' Circle information, and we will continue to work on this next year.</p>
Continuing to develop our branding.	We continue to conduct brand inductions with new staff and the team works collaboratively with colleagues to support them to follow our guidelines. This year we created a sub-brand for our <a href="#">Leading Impact</a> conference, and have developed a style for infographics and illustrations.

## PLANS FOR NEXT YEAR

Here we outline the main activities we are planning for our consulting, think tank and communications work in the financial year 2015–2016 in order to achieve our mission of transforming the charity sector.

### Consulting

The research and consulting team will work towards the following three aims—through providing services directly to charities and funders to increase their effectiveness and producing publications and guidance to share our thinking and support the sector further.

- **Retain NPC’s leadership in providing consulting advice on effective funding for charitable funders of all types:** ensure we are at the forefront of key debates in the sector, including social investment, and that we exchange ideas and thinking between our consultancy and think tank work.
- **Retain NPC’s position as a leading charity strategy consultant:** capitalise on our considerable knowledge and experience built within the health sector in the last year and build on recent work to further develop products in social investment. Progress thinking on how impact measurement data can feed into and influence strategy.
- **Retain NPC’s position at the forefront of theory of change and measurement framework services for charities and funders, including shared measurement:** focus on providing more practical advice and support for putting measurement into practice, through published guides, training and client projects. Publish a paper on innovations in measurement and evaluation and develop a new programme on data use in the sector.

### Think tank

We continue to have ambitious plans for our think tank work, focusing on the key programmes we have established over the last year and developing our policy responses linked to issues affecting the charity sector. We have plans to strengthen our team to build further momentum and credibility, and will continue to work with philanthropists, businesses and other funders who believe in our vision and can support us to explore ways of tackling the charity sector’s major challenges.

Our programmes of work enable us to **explore an area, test solutions to overcome the challenges and work collaboratively** across the sector. We look both at issues that affect the charity sector, such as digital, and the issues that the sector works on, such as health. All of these affect the ability of the sector to create impact. Our priorities for next year include:

- |                          |                     |                       |
|--------------------------|---------------------|-----------------------|
| • Data Labs              | • Social investment | • Criminal justice    |
| • Digital transformation | • Education         | • Effective charities |
| • Inspiring Impact       | • Health            |                       |

Over the next three years we plan to develop a pioneering annual state of the sector publication, incorporating new research on practice and attitudes among charities and funders, insights on key trends and policy challenges, and perspectives from a diverse range of stakeholders. We will also continue to develop policy responses to key issues, including public sector commissioning, transparency and the future role of the sector.

## Communications

NPC's communications activities underpin our consulting and think tank work and helps us disseminating our thinking as widely as possible to ensure that we have the greatest public benefit.

In the next year, we will focus on:

- Stimulating debate through our communications channels: using our events, social media and other platforms to engage NPC's audiences on the issues of the day.
- Refining our communications strategy: including digital strategy and brand management.
- Positioning ourselves as commentator on key sector issues, including through our PR and media coverage.
- Supporting the consulting and development teams in marketing NPC's services and promoting its mission.



## DELIVERING PUBLIC BENEFIT

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

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



# FINANCIAL REVIEW

The Statement of Financial Activities for the year to 30 June 2015 is set out on page 45 of this report.

## Financial activities

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Total incoming resources for the year amounted to £2,088,533 (2014 £2,604,754), a reduction of nineteen per cent.

Revenue from our consulting and think tank work totalled £1,645,713 (2014 £1,918,805), a decrease of fourteen per cent. Year on year comparisons are affected by the amount of pass-through grant income (grant income received, which we then grant to others). This affects both our reported income and costs. The 2014 comparative included £236,813 of grants made, compared with £63,100 in 2015. If we adjust for this to achieve a more realistic comparison then the year on year change becomes five per cent.

Several current and former trustees made donations to NPC through our Supporters' Circle during the year, but we received no larger donations from trustees as we have in previous years. In 2014 Trustees' funding accounted for nine per cent of revenue. Over time, we are reducing our dependence on trustee funding by increasing and diversifying our external revenue sources.

This was the third year of our Supporters' Circle from which we received revenues of £185,000 (2014 £167,500), an increase of ten per cent. Unrestricted grants grew slightly to £125,000 (2014 £120,000).

We received £27,340 (2014 £24,985) of revenue from special projects all of which came from the sale of subscriptions to the online well-being measure and associated consulting work.

Total resources expended in the year were £2,334,787 (2014 £2,561,426). Excluding pass-through grants of £63,100 (2014 £236,813) core expenditure decreased by two per cent compared with 2015. The major part of our core expenditure remains employee costs. Premises and technology costs are the next most significant component.

## Funding

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During the year, NPC's main sources of funding were fees for consulting work, grants for think tank projects from foundations and individuals, unrestricted grants from foundations to fund our core activities, attendance fees for events and training and donations from individuals, including members of the Supporters' Circle, some of whom are current and former trustees.

## Investment policy

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In accordance with the memorandum of association, the trustees have the power to invest the charity's funds not immediately required in any investments, securities or property and to delegate the management of investments to a financial expert. During the year, cash balances were insufficient to be invested and, when appropriate, funds were held in deposit accounts to combine optimum interest rates with the required accessibility of funds.



## Reserves policy and unrestricted funds

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The trustees believe that, in the light of NPC's emphasis on generating fee and grant income, its committed income should be considered alongside its unrestricted reserves when considering the adequacy of its reserves. The trustees' aim is that the total of NPC's unrestricted reserves and committed income should cover at least 50% of its planned activities in the year ahead.

At 30 June 2015 NPC had unrestricted reserves of £495,118 (2014 £720,275), and £736,804 (2014 £605,000) of committed fee and unrestricted grant income. We expect average monthly expenditure in the year to 30 June 2015 to be £197,000 (2014 £198,000). The total of £1,231,922 (2014 £1,325,675) of unrestricted reserves and committed donations and fees will therefore cover more than six months of budgeted expenditure.

If reserve adequacy were to be calculated according to the methodology described in NPC's *The little blue book*, total reserves at 30 June 2015 of £607,039 (2014 £853,293) represent three months' spending.

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

The charity has a wholly-owned trading subsidiary, NPC Trading Limited. The company did not trade during the year ended 30 June 2015.

## Auditor

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Sayer Vincent was re-appointed as the charity's auditor during the year, and has expressed its willingness to continue in that capacity.

# STRUCTURE, GOVERNANCE AND MANAGEMENT

NPC is a charitable company limited by guarantee. Each of its trustees has agreed to contribute up to £1 towards the assets of the company in the event of its being wound up. The organisation was incorporated on 2 July 2001 and registered as a charity on 27 March 2002.

## Trustees

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Members of the board of trustees are the directors of the company. The trustees are responsible for establishing clear strategic goals for NPC. These goals, together with performance targets, are established annually, and the chief executive reports on them at trustee meetings. According to their skills, experience and interests, trustees take responsibility for one or more areas of activity, which may include being appointed to a committee.

## Induction and training

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On appointment, each trustee completes a register of interests, which is renewed annually. New trustees receive a job description and participate in an induction programme, which includes meeting the chair, chief executive, members of the management team and staff. When new trustees are recruited, their training needs are assessed and met as necessary.

## Statement of responsibilities of the trustees

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

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

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

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

In so far as the trustees are aware:

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

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

## Management and staff

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While the trustees are responsible for establishing NPC's strategic goals, day-to-day activities are directed by the management team, led by the chief executive, Dan Corry. The chief executive is responsible for developing strategies, products and services within overall guidelines and policies set by the trustees. He is responsible for representing NPC externally and for ensuring that NPC's values are communicated and observed. He is also responsible for the recruitment, training and development of the management team.

The management team consists of the chief executive, the chief operating officer, the director of research and consulting, the communications director, the head of development, the head of projects and the HR consultant.

At 30 June 2015, NPC had 38 permanent employees, of whom 8 worked part-time (less than 30 hours a week), giving a full-time equivalent workforce of 34.

## Risks

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NPC has a risk management process in place to enable the trustees and management to assess the risks facing the organisation and to devise and implement strategies and controls to mitigate or address these risks.

A comprehensive risk register is maintained. The register is reviewed regularly by the chairman and senior management team and annually by the trustees.

## Auditors

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Sayer Vincent LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

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

Approved by the trustees on 3 December 2015 and signed on their behalf by



**Richard Atterbury**  
Chair

3 December 2015

## REFERENCE AND ADMINISTRATIVE DETAILS

<b>Charity registration number</b>	1091450
<b>Company registration number</b>	4244715
<b>Trustees</b>	Richard Atterbury (Chair) Fraser Hardie (until 19 March 2015) Rishi Khosla (until 15 August 2015) Harvey McGrath Marcelle Speller John Stares Baroness Deborah Stedman-Scott Peter Wheeler
<b>Chief executive</b>	Dan Corry
<b>Company secretary</b>	Jocelyn James (until 15 April 2015) Jonathan Bell (from 4 June 2015)
<b>Registered office</b>	185 Park Street, London SE1 9BL
<b>Auditors</b>	Sayer Vincent LLP Invicta House, 108-114 Golden Lane, London EC1Y 0TL
<b>Bankers</b>	NatWest, Charing Cross Business Centre, 3rd Floor, Cavell House London, WC2H 0NN
<b>Solicitors</b>	Bates, Wells & Braithwaite 10 Queen Street Place London, EC4R 1BE

# FINANCIAL STATEMENTS

## Independent auditors' report to the members of New Philanthropy Capital

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We have audited the financial statements of New Philanthropy Capital for the year ended 30 June 2015 which comprise the statement of financial activities, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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.

### Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities set out in the report of the trustees, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 30 June 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

## Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the report of the trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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
- The financial statements are not in agreement with the accounting records and returns
- Certain disclosures of trustees' remuneration specified by law are not made
- We have not received all the information and explanations we require for our audit
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the report of the trustees and take advantage of the small companies' exemption from the requirement to prepare a strategic report

A handwritten signature in black ink that reads "Sayer Vincent LLP". The signature is written in a cursive, flowing style.

**Joanna Pittman (Senior statutory auditor)**

**10 December 2015**

for and on behalf of Sayer Vincent LLP, Statutory Auditors  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

# NEW PHILANTHROPY CAPITAL

## STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account) For the year ended 30 June 2015

	Notes	Unrestricted Funds	Restricted Funds	2015 Total	2014 Total
		£	£	£	£
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	310,005	-	<b>310,005</b>	522,500
Investment income	3	868	-	<b>868</b>	2,154
<b>Incoming resources from charitable activities</b>					
Consulting	4	1,243,193	30,825	<b>1,274,018</b>	1,222,979
Think tank	4	-	371,695	<b>371,695</b>	698,826
Communications	4	66,191	30,519	<b>96,710</b>	131,797
Special projects	5	27,340	-	<b>27,340</b>	24,985
<b>Other incoming resources</b>		7,897	-	<b>7,897</b>	1,513
Total incoming resources		1,655,494	433,039	<b>2,088,533</b>	2,604,754
<b>RESOURCES EXPENDED</b>					
<b>Cost of generating funds</b>					
		71,445	-	<b>71,445</b>	85,986
<b>Charitable activities</b>					
Consulting		1,135,368	18,840	<b>1,154,208</b>	987,566
Think tank		241,228	377,300	<b>618,528</b>	1,000,904
Communications		364,568	30,519	<b>395,087</b>	392,133
Special projects		38,149	-	<b>38,149</b>	43,250
<b>Governance costs</b>		57,370	-	<b>57,370</b>	51,587
Total resources expended	6	1,908,128	426,659	<b>2,334,787</b>	2,561,426
<b>Net (expenditure)/income for the year and net movement in funds</b>		(252,634)	6,380	<b>(246,254)</b>	43,328
<b>Transfers</b>		27,477	(27,477)	<b>-</b>	-
<b>Net movement in funds</b>		(225,157)	(21,097)	<b>(246,254)</b>	43,328
Balance brought forward at 1 July		720,275	133,019	<b>853,294</b>	809,966
Balance carried forward at 30 June		495,118	111,922	<b>607,040</b>	853,294

All of the above results are derived from continuing activities; all gains and losses recognised in the year are included above. The notes on pages 47 to 59 form part of these financial statements.

# NEW PHILANTHROPY CAPITAL BALANCE SHEET

As at 30 June 2015

	Notes	2015 £	2014 £
<b>Tangible fixed assets</b>			
Investments	13	1	1
<b>Current assets</b>			
Debtors and prepayments	14	208,651	467,674
Short-term deposits		30,151	-
Cash at bank and in hand	15	539,207	555,170
		<u>778,009</u>	<u>1,022,844</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15	<u>(170,970)</u>	<u>(169,551)</u>
<b>Net current assets</b>		607,039	853,293
<b>Net assets</b>		<u><b>607,040</b></u>	<u><b>853,294</b></u>
<b>Funds</b>			
Unrestricted funds		495,118	720,275
Restricted funds		111,922	133,019
<b>Total funds</b>		<u><b>607,040</b></u>	<u><b>853,294</b></u>

The notes on pages 47 to 59 form part of these financial statements.

The financial statements were approved by the trustees on 3 December and signed on their behalf by:



**Richard Atterbury**  
Chair

Company No: 4244715



# NEW PHILANTHROPY CAPITAL

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2015

### 1. Accounting policies

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

#### a. Basis of preparation

The financial statements have been prepared under the historical cost convention (except for investments which are included at revalued amounts) and have been prepared in accordance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities', published in March 2005, applicable accounting standards and the Companies Act 2006.

#### b. Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is reasonably certain that the income will be received and the amount can be quantified with reasonable accuracy.

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

Consulting fees are charged for research projects, provision of training and provision of information. These fees are recognised when receivable. Fees are receivable when the consultancy service has been provided by NPC. Where there is uncertainty as to whether the charity can meet such conditions, the incoming resource is deferred.

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

#### c. Grant making

Grants payable are classified as charitable expenditure.

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

#### d. Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity:

Cost of generating funds	11%
Think tank	23%
Consulting	36%
Communications	15%
Governance costs	11%
Special projects	4%

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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

#### **e. Costs of generating funds**

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

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

#### **f. Tangible fixed assets and depreciation**

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

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

Computer equipment:	over 3 years
Furniture and fixtures:	over 5 years
Office equipment:	over 5 years

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

#### **g. Fund accounting**

Funds held by the charity are either:

*Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

*Unrestricted funds* - these are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

#### **h. Pension**

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

#### **i. Leases**

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

**j. Taxation**

The charity is exempt from taxation on its charitable activities.

**k. Incoming resources**

Investments are stated at mid-market value at the balance sheet date. The gain or loss for the period is taken to the SOFA. All movements in value arising from investment changes or revaluations are shown in the SOFA. The cumulative unrealised gains are included in a revaluation reserve within unrestricted funds.

**2. Voluntary income**

	2015	2014
	£	£
Donations from or on behalf of trustees	-	235,000
Supporters' Circle	185,005	167,500
Grants for core funding:		
Oak Foundation	100,000	100,000
Tuixen Foundation	25,000	20,000
Total	310,005	522,500

**3. Investment income**

Investment income consists of bank interest and interest receivable from short-term deposits.

## 4. Restricted revenue

		2015	2014
		£	£
<b>Think Tank</b>			
<i>Data Lab</i>	Oak Foundation	103,406	69,525
	Cabinet Office	4,698	-
<i>Capacity Building</i>	National Offender Management Service	-	148,492
<i>Faith</i>	Daniel Jones	5,000	-
	Porticus	40,000	-
<i>Commission for Ageing and the Voluntary Sector</i>	Big Lottery Fund	31,197	123,290
	Prudential	15,890	30,000
<i>Money for Good 2</i>	Gates Foundation	-	16,185
	Unity Trust Bank	-	5,000
<i>Social Impact Bond - Round Table</i>	Baker Tilly	-	3,000
	Bates Wells	-	3,000
<i>G8 Task Force</i>	Cabinet Office	-	50,000
<i>Funder Impact</i>	Barings	-	5,000
	London Benchmarking Group	-	5,000
	City Bridge Trust	-	5,000
<i>Digital</i>	John Stares	5,000	-
	Woodroffe Benton	1,000	-
	Zing	6,940	-
<i>Inspiring Impact</i>	Barrow Cadbury Trust	15,000	5,000
	Hewlett	29,514	20,334
	Cabinet Office	-	80,000
	Big Lottery Fund	46,300	80,000
	Calouste Gulbenkian	7,000	10,000
	Children in Need	-	10,000
	Paul Hamlyn	10,000	10,000
	Nominet	10,000	10,000
	Northern Rock Foundation	-	10,000
<i>Clinks</i>	NOMS3	13,950	-
<i>Lankelly</i>	Lankelly	26,800	-
<b>Total Think Tank</b>		<b>371,695</b>	<b>698,826</b>

Continued...

## 4. Restricted revenue (continued)

		2015	2014
		£	£
<b>Consulting</b>			
<i>Stephen Lloyd Awards</i>	Stephen Lloyd Awards	1,600	-
<i>Creative Commissioning</i>	NCVO	4,740	86,655
<i>Journey to Employment in Northern Ireland</i>	Building Change Trust	4,560	13,840
<i>Visual Impairment</i>	The Clothworkers' Foundation	-	1,400
<i>Improving Evidence in Criminal Justice</i>	Clinks	-	13,950
<i>Trusteeship</i>	The Clothworkers' Foundation	19,925	11,750
Total consulting		30,825	127,595
<b>Communications</b>			
<i>Inspiring Impact</i>	Hewlett Foundation	-	10,275
<i>Commission for Ageing and the Voluntary Sector</i>	Big Lottery Fund	3,700	19,600
	Prudential	19,110	5,000
<i>Creative Commissioning</i>	NCVO	-	1,905
<i>Data Lab</i>	Oak Foundation	3,274	6,850
<i>Digital</i>	Zing	3,060	-
<i>Lankelly</i>	Lankelly	1,375	-
Total Communications		30,519	43,630
Total restricted revenue		433,039	870,051

## 5. Special projects

	2015	2014
	£	£
<b>Unrestricted revenue</b>	<b>Total</b>	<b>Total</b>
<i>Well-being project</i>		
Product fees	<b>26,940</b>	19,760
Consulting fees	<b>400</b>	5,225
<b>Total special projects</b>	<b>27,340</b>	24,985

## 6. Cost of charitable activities

	Think tank	Consulting	Communi- cations	Special projects	Cost of generating funds	Governance costs	2015  Total £	2014  Total £
	£	£		£	£	£		
Staff costs	436,271	906,425	280,503	12,381	55,645	35,611	1,726,836	1,688,941
Travel & subsistence	10,428	5,953	943	13	431	35	17,803	34,397
Recruitment & training	14,052	36,972	6,235	1,187	3,447	3,413	65,306	38,466
Consultants' fees	27,476	31,480	14,108	5,432	3,265	2,275	84,036	157,175
Subscriptions, publications & data sources	2,247	4,162	4,027	291	132	106	10,965	6,816
Printing & distribution	8,497	-	6,185	-	-	-	14,682	17,398
Premises	25,673	66,496	21,894	857	3,649	2,466	121,035	130,677
IT, telecoms & equipment	13,495	33,244	11,482	648	1,848	1,332	62,049	60,368
Legal costs	1,546	5,615	890	35	149	101	8,336	5,003
Marketing & PR	5,924	2,350	31,655	16,584	100	20	56,633	79,484
Accounting and payroll services	4,435	11,485	3,770	148	630	426	20,894	20,149
Audit fees	-	-	-	-	-	10,150	10,150	10,250
Irrecoverable VAT	6,179	16,004	5,254	206	878	594	29,115	33,027
Insurance	1,689	4,373	1,436	56	240	162	7,956	8,244
Office expenses & other	7,616	19,549	6,705	311	1,031	679	35,891	34,218
Grant-making (note 7)	53,000	10,100	-	-	-	-	63,100	236,813
<b>Total project costs</b>	<b>618,528</b>	<b>1,154,208</b>	<b>395,087</b>	<b>38,149</b>	<b>71,445</b>	<b>57,370</b>	<b>2,334,787</b>	<b>2,561,426</b>

## 7. Grant-making

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

	2015	2014
	Total	Total
	£	£
<b>UK</b>		
Clinks	-	34,762
ILC-UK	13,000	26,000
Rockefeller Philanthropy Advisors	-	30,500
Substance	15,000	77,000
Charities Evaluation Services	-	16,000
Association of Charitable Foundations	-	13,000
NCVO	-	15,000
Evaluation Support Scotland	10,000	15,000
Grants < £10,000	25,100	9,551
<b>Total grants</b>	<b>63,100</b>	<b>236,813</b>

## 8. Net movement in funds for the year

This is stated after charging:

	2015	2014
	£	£
Auditors' remuneration		
• audit	9,700	9,500
• audit fees prior year	450	-

## 9. Trustees' remuneration and expenses

The trustees neither received nor waived any emoluments during the year (2014 £nil) and no expenses were reimbursed to trustees (2014 £nil).



## 10. Staff costs

	2015	2014
	£	£
Wages and salaries	1,438,237	1,408,668
Social security costs	155,623	154,814
Pension costs	132,976	125,459
<b>Total</b>	<b>1,726,836</b>	<b>1,688,941</b>

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

	2015	2014
	No.	No.
£60,001 - £70,000	2	3
£70,001 - £80,000	2	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	-
£100,001 - £110,000	1	1

The company made contributions totalling £40,163 (2014 £38,863) during the year to a defined contribution pension scheme with respect to these employees.

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

	2015	2014
	No.	No.
Consulting	15	14
Think tank	4	6
Business development	2	2
Special projects	-	-
Communications & marketing	5	5
Executive, operations & strategy	6	6
<b>Total</b>	<b>32</b>	<b>33</b>

## 11. Pensions

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £132,976 (2014 £125,459). At 30 June 2015, contributions amounting to £10,480 (2014 £11,917) were payable to the scheme and are included in creditors.

## 12. Investments

The charity has an investment of £1 (2014 £1) in NPC Trading Ltd. An equivalent amount is shown in creditors.

## 13. Subsidiary company

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

The aggregate of the assets, liabilities and funds of NPC Trading Ltd was as follows:

	2015	2014
	£	£
Net assets	1	1
Funds (represented by one share of £1)	1	1

## 14. Debtors and prepayments

	2015	2014
	£	£
Trade debtors	25,755	200,025
Prepayments	39,175	35,206
Donations and fees receivable	143,026	230,006
Other debtors	695	2,437
	<u>208,651</u>	<u>467,674</u>

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

	2015	2014
	£	£
Trade creditors	28,876	41,274
Taxation and social security	38,268	41,423
VAT	62,860	50,802
Pensions	21,216	11,917
Deferred income	9,180	12,548
Other creditors	3,665	2,087
Accruals	6,905	9,500
	<b>170,970</b>	<b>169,551</b>

## 16. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
<b>Fund balances at 30 June 2015 are represented by:</b>			
Investments	1	-	1
Current assets	666,087	111,922	778,009
Current liabilities	(170,970)	-	(170,970)
<b>Total net assets</b>	<b>495,118</b>	<b>111,922</b>	<b>607,040</b>

## 17. Restricted and unrestricted funds

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

	At the start of the year	Incoming resources	Outgoing resources	Transfers	At the end of the year
	£	£	£	£	£
<b>Restricted funds</b>					
Substance abuse	10,000	-	-	-	<b>10,000</b>
Digital	-	16,000	(16,000)	-	-
Inspiring Impact	-	121,514	(114,890)	-	<b>6,624</b>
Arts Council	-	4,740	(4,740)	-	-
Data lab	55,047	111,378	(94,975)	(27,477)	<b>43,973</b>
Capacity building	400	-	(400)	-	-
Commission	47,982	66,197	(114,179)	-	-
Faith	-	45,000	-	-	<b>45,000</b>
Stephen Lloyd Awards	-	1,600	(1,100)	-	<b>500</b>
Lankelly	-	28,175	(28,175)	-	-
JET	7,140	4,560	(11,700)	-	-
Improving evidence in criminal justice	12,450	13,950	(26,400)	-	-
Trusteeship	-	19,925	(14,100)	-	<b>5,825</b>
<b>Total restricted funds</b>	<b>133,019</b>	<b>433,039</b>	<b>(426,659)</b>	<b>(27,477)</b>	<b>111,922</b>
<b>Total unrestricted funds</b>	<b>720,275</b>	<b>1,655,494</b>	<b>(1,908,128)</b>	<b>27,477</b>	<b>495,118</b>
<b>Total funds</b>	<b>853,294</b>	<b>2,088,533</b>	<b>(2,334,787)</b>	<b>-</b>	<b>607,040</b>

The transfer of £27,477 from restricted funds to unrestricted funds relates to expenditure incurred in the previous year relating to our data lab project funded from unrestricted funds which was fundable from a restricted grant from the Oak Foundation.

## 18. Financial commitments

At 30 June 2015 the charity was committed to making the following payments under non-cancellable operating leases:

Operating leases which expire:	Land and buildings		Other operating leases	
	2015	2014	2015	2014
within one year	67,083	-	-	-
within two to five years	-	115,000	1,872	1,872





## TRANSFORMING THE CHARITY SECTOR

NPC is a charity think tank and consultancy which occupies a unique position at the nexus between charities and funders, helping them achieve the greatest impact. We are driven by the values and mission of the charity sector, to which we bring the rigour, clarity and analysis needed to better achieve the outcomes we all seek. We also share the motivations and passion of funders, to which we bring our expertise, experience and track record of success.

**Increasing the impact of charities:** NPC exists to make charities and social enterprises more successful in achieving their missions. Through rigorous analysis, practical advice and innovative thinking, we make charities' money and energy go further, and help them to achieve the greatest impact.

**Increasing the impact of funders:** NPC's role is to make funders more successful too. We share the passion funders have for helping charities and changing people's lives. We understand their motivations and their objectives, and we know that giving is more rewarding if it achieves the greatest impact it can.

**Strengthening the partnership between charities and funders:** NPC's mission is also to bring the two sides of the funding equation together, improving understanding and enhancing their combined impact. We can help funders and those they fund to connect and transform the way they work together to achieve their vision.

### New Philanthropy Capital

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