



REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2016





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A MESSAGE FROM THE CHAIR OF TRUSTEES

This has been another successful year for NPC, thanks to the team, our clients, partners and supporters. We believe that we are continuing to make a significant impact through our various activities—our consultancy with individual clients, our think tank work and our numerous training and sector events.

We are very proud of our diverse mix of charity and funder clients, which this year ranged from the MS Society to Imara, to the RS Macdonald Charitable Trust. We are encouraged by the fact that 60% of our clients in the last year have used our services before, underlining how much they value our support. We are also pleased that 96% of our clients feel positive about NPC and that 97% of attendees found our training workshops useful (these figures were respectively 97% and 92% in 2014/2015). The feedback we receive is important to us as it helps us understand and increase the impact we make.

We value our partnership work and the multiplier effect it creates. The [Inspiring Impact programme](#), for example, is a collaborative initiative with seven organisations, aimed at bringing good impact practice into the mainstream for charities and funders. This programme received a boost this year thanks to a Big Lottery Fund grant, and it has expanded into new areas, including building specialist tools and guidance for charities and foundations.

Influencing opinions and practices, through our blog commentary, comments in the media, consultation responses and events, is another important focus for us. Notable achievements include our call for greater transparency in social investment being taken on board by Big Society Capital, and the growing interest in [our Data Labs programme](#) from departments across Whitehall. We have also planted the seeds of ideas that we hope will bloom in the years to come, including beginning a campaign for [more and better philanthropy](#) and offering new perspectives on how [digital innovation](#) can help charities to deliver their missions.

I am grateful for the support of our funders, the generosity of our Supporters' Circle and the commitment of fellow trustees. Lastly, my thanks go to the staff team at NPC who every day show great passion and commitment to NPC's vital goal of transforming the charity sector.



Richard Atterbury

A MESSAGE FROM THE CHIEF EXECUTIVE

It is no exaggeration to say that it has been another challenging year for the charity and non-profit sector, with the Brexit vote adding to the feeling of uncertainty. We at NPC have spent much of 2016 arguing that charities, rather than being risk averse and defaulting to being cautious, need to be bold in facing the future if we are to ensure that we create the maximum impact for all the people and causes we care about.

For the sector this boldness means embracing change, and here our work on digital technology, data, social investment, and strategies to measure and improve effectiveness has been crucial. For individual charities and funders, being bold means working together more, through shared strategies and metrics, and thinking about how to change systems as well as how to meet needs. For many of our clients, this also means looking afresh at their organisation's strategy or re-imagining their approach.

Events like our annual [NPC Ignites](#) conference help to inject new thinking and bold ideas in these times of flux. So too do programmes like our [State of the Sector](#) initiative, which we launched this year. This initiative, supported by the Barrow Cadbury Trust, Ecclesiastical, PWC, Odgers Berndtson and the Cripplegate Foundation, is already engaging influential audiences on issues from board diversity to the impact of devolution.

But boldness is not only for others. It is something we seek to embrace when considering our own work. NPC's updated strategy for 2016–2019 is helping us make our consultancy work even more mission-focused and shows that, to keep achieving our aims, we need to have a strong policy-influencing and communications arm. Boldness, too, implies phasing out some activities, such as our online Well-being Measure.

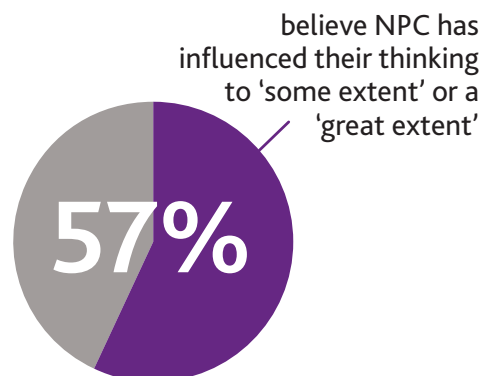
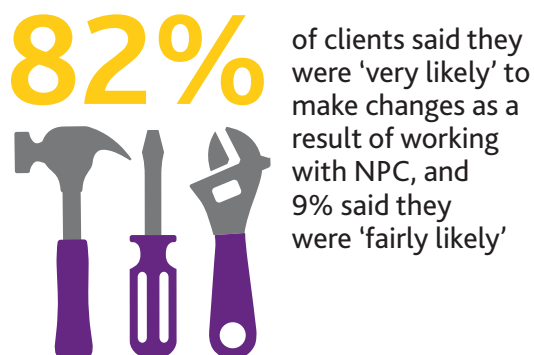
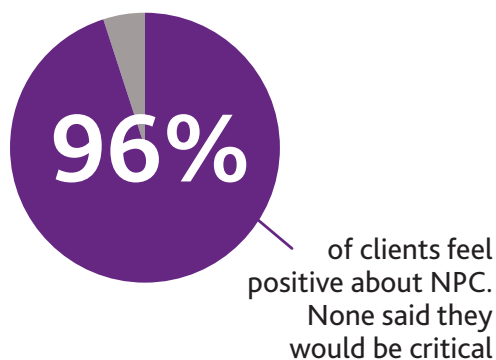
None of this would be possible without an excellent team—hardworking colleagues who are dedicated to the cause. Thanks too to Richard, my supportive and challenging chair; and to all my trustees who help in so many ways. I would also like to thank our Supporters' Circle members who provide some of the unrestricted funding we need to really have impact.

Next year is our 15th anniversary. In an ideal world our work would already be done, but we believe there is much to be done still to continue to transform the sector.

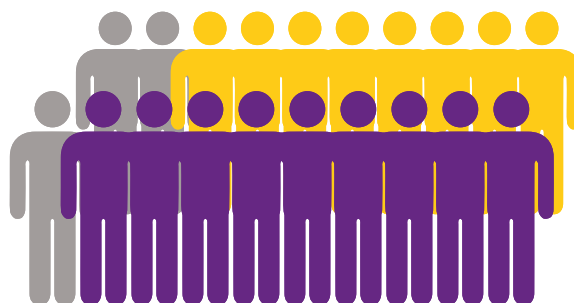


Dan Corry

NPC'S ACHIEVEMENTS AND HIGHLIGHTS 2015/2016

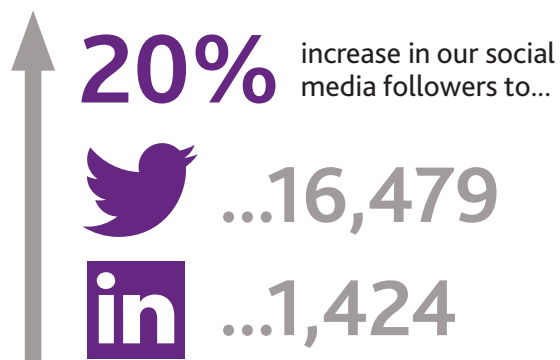
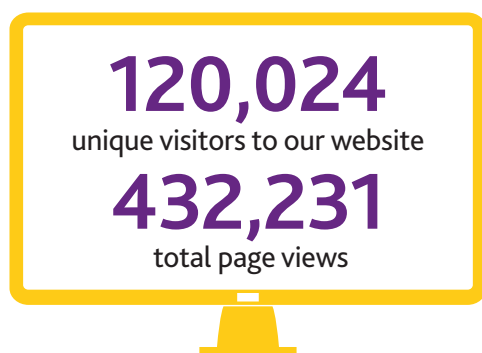


People we asked
say NPC is...



...trusted and relevant: 8/10

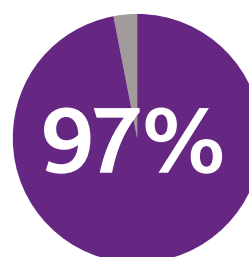
...good quality: 9/10



71%

of survey respondents
think NPC have a positive
influence on the sector

2,400 attendees
at 48 events



of attendees found
our training useful and
86% think they will or
might make changes
as a result of what
they learnt on the day.

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 in order to help them become more successful.

Our vision

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

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 possible impact.

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 champion shared approaches to common problems.

Our activities

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.

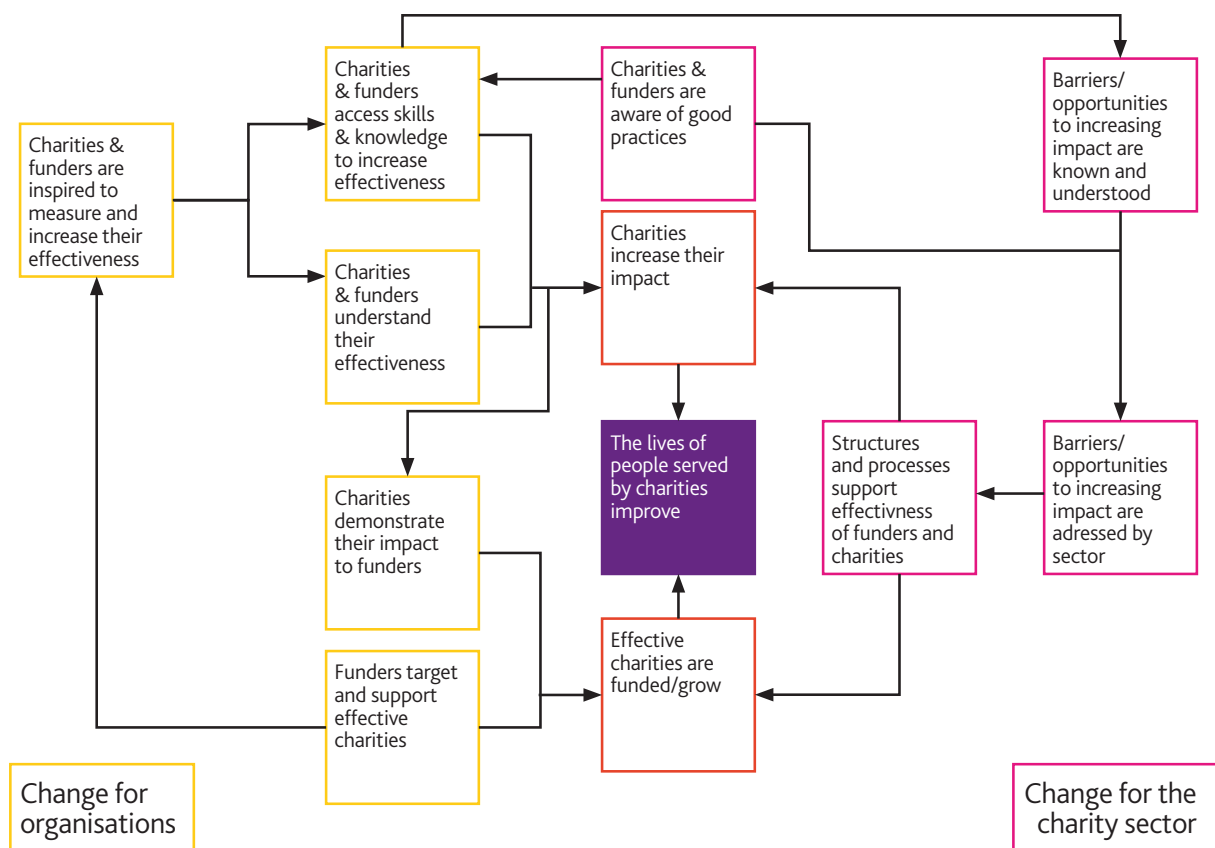
As the independent **think tank** for the charity sector, we shine a spotlight on the obstacles holding the sector back and develop solutions to overcome them. We inspire new thinking and catalyse change in practice and in policy so that the whole sector can achieve a greater impact. We also make connections,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

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 clients 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

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

Think tank

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

Communications

Our communications activities help us to disseminate our research and share our perspectives as well as convene and stimulate debate in the sector.

Special projects

We have developed various special projects and initiatives to help the charity sector.

Consulting

In 2015/2016 we worked with **89** research and consulting clients, including charities, trusts and foundations, philanthropists, businesses and government. The level of repeat business (**60%** of our clients in the last year have used our services before) demonstrates that our clients value our support.

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 **150** people from charities and funders of different sizes, covering topics such as giving philanthropy advice and 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 and through delegate feedback forms at events, as well as through individual case studies. Over the last year we received the following feedback from clients (there were **23** responses in total, which is a response rate of 64% of completed projects):

- **96%** of clients feel **positive about NPC**. One client said they would be neutral and none would be critical.
- **82%** of clients said they were **'very likely' to make changes** as a result of working with NPC, and **9%** said they were **'fairly likely'**.
- Our clients gave us an average rating of **8.2 out of 10** for the **quality of our outputs**, such as relevance of content and recommendations.
- For the **process of working with clients**, such as how we engaged stakeholders, we received an average rating of **7.7 out of 10**.

Feedback from participants on our **13** training courses shows that, on average, **97%** of attendees found the training useful and **86%** think they will or might make changes as a result of what they learnt on the day.

While 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 and communications activities such as publications, seminars and conferences.

Comments from clients:

'The quality of thinking and challenge was excellent. The outputs were exactly what we required and to an extremely high standard.'

Dorit Braun, Advice Service Manager, Family Rights Group

'We are really pleased and proud of the material. We asked a tricky question and thankfully got a clear and well thought out response.'

Lizzie Jordan, Research and Evaluation Executive, Money Advice Service

'This is an excellent briefing which is most useful to me. You and your team have achieved a great deal in such a short space of time.'

Chris Jermyn, philanthropist

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 done this through original research, practical projects and partnerships, media activities and through the events we organise and speak at. This includes: our [Tech for common good](#) paper and wider [Digital Transformation](#) programme to encourage a more strategic, collective approach to technologies; our education-related publications and events, such as [School report](#), exploring the role of charities and philanthropy in this field; and the ongoing [Data Labs programme](#), which aims to make government data more open and accessible for charities.

We survey our database of contacts every year in order to understand how we influence the thinking and actions of the sector. We received **238** completed responses to our survey in August 2016 and feedback included:

- **9 out of 10 people rate NPC as 'good quality' (91%) and around 8 out of 10 rate us as 'trusted' (77%) and 'relevant' (85%).**
- **7 out of 10 (71%)** respondents think NPC has a **'very positive' or 'fairly positive' influence** on the charity sector.
- **More than half (57%)** believe NPC has **influenced their thinking** to 'some extent' or a 'great extent'.
- Around **a quarter (24%)** of those respondents that have interacted with NPC online or face-to-face **have taken action as a result and one fifth (20%) plan to take action** in the future.
- **More than half (61%) of those taking action** believe it will help them be a **'great deal more effective'** or a **'little more effective'**. Actions mentioned include improving impact measurement and reporting, talking to the board and reaching out to the sector.

Comments from the survey:

'You changed the debate about impact, which is a good thing.'

Survey respondent

'NPC stimulates more radical thinking—convincing charities that the status quo of recent years cannot continue, we need to explore new and exciting ways of working if we are to survive and deliver against our mission.'

Survey respondent

'NPC has a reputation which means its reports and commentary on issues within the charity sector do have an impact. I've experienced this as a general rumble "have you seen this issue has arisen and NPC have a report on it?" or "X is going to be the next big thing in charities—I read it in an NPC blog/report".'

Survey respondent

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.

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 **120,024** unique visitors to our website, **432,231** total page views and approximately **200,000** publications downloaded from our website. We had an increase of more than 20% in our social media followers: on [Twitter](#), to **16,479**, and on [LinkedIn](#), to **1,424**. We monitor our online engagement through web and social media analytics, as well as via our stakeholder survey and feedback forms completed by event participants. We continue to run a wide-ranging [events programme](#) and reached approximately **2,400 people** via **48** events in 2015/2016. These included training workshops, public debates, seminars, launch events and our flagship annual conference, NPC Ignites (see page 19).

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*, *The Telegraph*, *The Times* and *politics.co.uk* among other outlets. We regularly contribute to a wide range of sector publications and blogs including *Third Sector*, *Civil Society*, *Charity Times*, *Alliance* magazine, *Pioneers Post* and *Civil Service World*. We have provided an expert view on issues that affect the sector—from philanthropy to Brexit, charity governance to impact investing.

Event feedback:

'Well run, thought-provoking and at just the right level—and a really interesting bunch of people.'

'Enlightening, practical, well-grounded advice, knowledgeable team.' 'It's going to be very, very handy!'

Participants from our training courses

'Training for charities and other organisations is well priced and concise, meaning it's very accessible.'

Survey respondent

Communications feedback:

'Your website is my greatest support as there is no other info or knowledge-based site like it.'

Survey respondent

'Our director Debbie Geraghty often references NPC when talking at various events. [She] calls you her "sat nav".'

Plymouth Music Zone

Special projects

This has been a challenging year for NPC's online Well-being Measure because we faced some major technological problems. As a result, the project cost us more than we were generating in revenue, making the initiative unsustainable. After consulting with our Well-being Advisory Board, major clients and funders, we decided to seek new partners to take forward the platform in 2017. We are grateful to the Paul Hamlyn Foundation, Private Equity Foundation (now Impetus-PEF), and the Esmée Fairbairn Foundation, which helped us to develop the online platform. We also appreciate our great customers who bought into what we were trying to do. We remain committed to measuring well-being and the tool itself will continue to be available in paper form.

CASE STUDIES



NPC has worked with the MS Society several times in recent years, holding an ongoing conversation with the charity about understanding and increasing its impact. Most recently in the last year, we worked with them on a collaborative project to develop a theory of change for information provision across the range of organisations supporting people with multiple sclerosis and their carers and families. Acting as a facilitator, we enabled input from multiple stakeholders and [produced a report](#) that offered a vision for how the sector might better support beneficiaries with information. The report also contains valuable insights that can be used by organisations focused on other medical conditions. This project demonstrated what can be achieved when organisations with similar aims combine their knowledge and work together.

'The quality of NPC's work and support is excellent, and the benefit to MS Society over the years has been invaluable. When developing our joint theory of change with the MS Trust the NPC team were fantastic facilitators, and provided key insights and support.'

Mital Patel, Acting Head of Strategy and Impact, MS Society



NPC has worked several times with Imara—a Nottingham-based Community Interest Company (CIC) that offers early intervention support to children, teenagers and families after a disclosure of child abuse.

Most recently, we supported Imara as part of the Impact Readiness Fund programme, developing a framework to help to better evidence and articulate its impact to public sector commissioners and other funders. This involved refining its theory of change and conducting primary research into the commissioning environment around child abuse services in Nottinghamshire. As a result, Imara was able to secure support from a large grant-maker that had previously turned it down for funding, and create new partnerships both locally and nationally.

'NPC are very open and engaging to work with, they quickly understood the particular strengths and weaknesses of the service and helped us to build on these. Great communicators and helped us to feel well resourced.'

Cath Wakeman OBE, Executive Director, Imara



The RS Macdonald Charitable Trust—a grant-maker in Scotland—approached NPC to support it in undertaking [sector landscaping research](#) into its funding themes, starting with visual impairment and child welfare. The end goal was to share the final reports with key actors within each of the issue areas, and to use the findings to inform the trust’s own giving strategy.

The trust has used our reports (which are published on our website so that others can benefit from the content) to start a conversation about how these issues are funded in Scotland. Charities have welcomed the discussion, with several organisations using the reports to talk to potential funders about their work. The trust has also shared the research findings with other funders and policymakers. As a result, the Scottish Government became aware of the reports and the relevant departments have been in touch with the trust to consider what the government’s role may be in addressing the issues raised.

‘We had not anticipated that the reports would have had as wide an impact as they have, but they have proved a useful resource for highlighting key issues with government, funders and other charities. They have helped us build new links and created opportunities to work together better.’

Douglas Hamilton, Director, RS Macdonald Charitable Trust



NPC was approached by Power to Change (an independent trust that supports community businesses across England) to help develop a strategy for its new Research Institute, which aims to build the evidence base for good social interventions. Our team worked closely with the organisation and its stakeholders to finalise a strategy which balanced different audiences and research products, and identified the importance of the Research Institute being seen as independent, credible, and collaborating to achieve its goals.

‘The NPC team listened closely to feedback and incorporated it into their report. The work has helped to provide clarity of thought about the way forward. It has also helped to build valuable relationships with our key stakeholders.’

Richard Harries, Director of Research Institute, Power to Change



KL Felicitas Foundation

Our support for the pioneering founders of the [KL Felicitas Foundation](#) (KLF), Charly and Lisa Kleissner, is one example of the ground-breaking work we continue to do in social investment. The Kleissners asked NPC to review the social and environmental impact created by their investments. Our [Investing for impact](#) report outlined lessons learnt and shared the tools used to measure the social returns. Among these is a new framework—NPC's Impact Assurance Classification—which is a starting point for comparing the quality of impact practice across asset classes and sectors. We also drew on existing frameworks and tools, such as those developed by the [G8 Social Investment Taskforce](#), [IRIS](#) and [Nesta](#). This review showed for the first time that impact investors can measure the non-financial good they achieve through their investment portfolio.

'Putting thinking about measurement into practice, NPC and the KL Felicitas Foundation deliver in this report valuable guidance on how to approach the measurement of a whole portfolio's impact. Well done on another step forward.'

Sir Ronald Cohen, Chair of the UK's Social Impact Investment Taskforce between 2013 and 2015

EXAMPLES OF OUR WORK

WORKING WITH A RANGE OF ORGANISATIONS AND THE IMPACT READINESS FUND

It is important for our mission and our knowledge of the sector that we are able to work with a diverse range of organisations, and not only those that are able to commission our consulting support directly. One of the ways that we can work with smaller charities and community organisations, for example, is through programmes like the Cabinet Office £1.5m Impact Readiness Fund, which has allowed charities to access our advice without having to meet the full costs themselves. We have helped develop a measurement framework for charities and social enterprises working across a wide range of sectors—including housing, social care, and employment—with incomes ranging from £2m to £8m.

We are also able to provide support through our training workshops and seminars and our publications, which are available to download for free from the NPC website. Some of these quotes from our stakeholder survey indicate our events and publications are valued:

'Everyone I've met and/or worked with is highly skilled and supportive. NPC brings a wealth of experience and ambition to the sector.'

Survey respondent

'Your website is my greatest support as there is no other info or knowledge-based site like it.'

Survey respondent

'Training for charities and other organisations is well priced and concise, meaning it's very accessible.'

Survey respondent



Founded in 2012, this programme is a collaboration of seven organisations that aims to make good impact practice the norm for charities and social enterprises by 2022. NPC manages the partnership and leads some strands of work.

We began the year with news that Inspiring Impact had been awarded a significant grant from the Big Lottery Fund. Following a consultation with key organisations and partners, we decided to focus efforts on supporting the specialist impact practice needs of small charities and funders. Two new versions of Inspiring Impact's Measuring Up! tool were designed as a result. We also launched an Impact Champions initiative and a partnership drive to spread the word about Inspiring Impact and its resources.

Meanwhile, Inspiring Impact has sparked a similar movement in Japan and several resources are now translated into Japanese, as well as into Portuguese.

'[Inspiring Impact is] a great repository of tools that I can direct the charities I am working with towards to improve their work around impact.'

Online survey respondent

SUPPORTING THE SECTOR IN TIMES OF CHANGE

This year we have led a number of initiatives to help sector leaders navigate the changes within the sector and the wider environment. Our [State of the Sector programme](#) was conceived with this in mind and kicked off with its first paper, [Boldness in times of change](#), which synthesises the main challenges and opportunities for charities and social enterprises. We also held a number of events on the impact of wavering public trust in charities, still a major theme affecting organisations. And publications like [Tech for common good](#) support organisations to consider how best to respond to digital changes.

'NPC bring much needed dynamism, vigour and professionalism... its work is vital'.

William Shawcross, Chair, Charity Commission



NPC Ignites

This year, for the first time, we produced our annual conference on our own, which enabled us to ensure the content was cutting edge and well positioned. Entitled [NPC Ignites](#), the conference was a sell-out success and our 180-strong delegate list consisted of more than 40 CEOs, over 30 directors and a few dozen trustees. Our speaker line-up included the Big Lottery Fund CEO Dawn Austwick, Joseph Rowntree Foundation CEO Julia Unwin CBE, and [Doteveryone](#) founder Martha Lane Fox CBE. Feedback from participants shows that the day 'met' or 'mostly met' the expectations of more than 80% of participants. Comments included:

'NPC Ignites restored my faith that the charity sector can put on great conferences.'

Feedback from a conference attendee

'New ideas, challenging thoughts, interesting metaphors, and great conversations. I feel stimulated and challenged.'

Feedback from a conference attendee

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 organisations' blogs. Beyond our usual coverage in the sector press, we have been pleased to get coverage in the financial press—the Financial Times and The Economist—and in the policy press, with pieces in politics.co.uk.

'New Philanthropy Capital is one of the most intelligent and balanced voices on third sector matters'.

Matthew Taylor, CEO, RSA

REFLECTIONS FROM THE YEAR

Here we summarise some insights from the past year.

On NPC strategy

- We continue to see the benefits of working as both a **consultancy and a think tank**. During the course of the year we refreshed our three-year strategy, and at its heart is strengthening the link between these two sets of activities.
- NPC receives a wide range of requests and opportunities for client work, research projects, input and comment. To guide our choices, we have mapped out what we see as the system needed for charities to operate effectively, and some **criteria to assess the potential for NPC to influence**. In working through the strategy processes we have also identified that our theory of change needs updating—primarily to go into more detail in some areas.
- In developing our new three-year strategy for the research and consulting team, we have reflected on the **types of work** that we deliver that achieve impact, and the **types and circumstances of clients** that enable this to happen. Our strategy aims to proactively seek work that we believe will deliver an impact.
- We are increasingly aware that **taking a long-term view** is the right approach because change takes time. So initiatives like Inspiring Impact, which has a ten-year time horizon, are becoming more important for us. Even where projects have shorter lifecycles, such as our Commission on the Voluntary Sector & Ageing, we have noted the importance of devoting ongoing resources in order to continue to reap the rewards of our investment.

On our work and delivering impact

- We know our publications for charities and funders are well-received: this year we reached the half a million mark of publications downloaded from our website. Increasingly, we are aware of **the importance of presenting our thinking and research in new ways**, for example, in more interactive online formats. And we have developed our capacity to create more visual content, such as infographics, with that in mind.
- In our work for individual organisations we are increasingly **supporting small organisations through wider programmes**. For instance, through the Cabinet Office's Impact Readiness Fund, we were able to support half a dozen organisations and networks in the year. This work enables us to share our thinking and expertise with organisations of all sizes and to gain insights of the challenges and opportunities facing the diverse range of organisations that make up the charity sector.
- The debate on **measurement in the sector has matured and become more nuanced**, and we have contributed to this through a number of publications and blogs, as well as two series of impact seminars. We look forward to presenting our findings on innovations in measurement in the coming year.
- We have drawn **lessons on delivering tech products** through the evolution of NPC's Well-being Measure, which prompted the difficult decision to look for partners to take the platform further.

On the external environment and what this means for NPC

- Like the rest of society, charities are riding on the waves of change—from the impact of Brexit to high profile fundraising scandals, digital disruptions to changing funding patterns. We believe that **NPC can play a role in guiding and challenging leaders** to respond to these changes and make the most of the resources available. This will become a growing strand of our work as NPC's State of the Sector programme develops and we publish the findings of our research into how sector leaders are responding.

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 this is more useful for assessing our success in working towards our vision for the charity sector.

Consulting

Plan	Progress in 2015/2016
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.	We have worked with a range of funders, large and small, providing advice on effective funding. These included a number of philanthropists, trusts and foundations, and corporate givers. Our clients include London Funders, where we have been helping them think through the elements of an effective funding ecosystem. We have also been working with the RS Macdonald Charitable Trust, providing research into the areas that it funds. Our work on the publication <i>Giving more and better: How can the philanthropy sector improve?</i> has helped us improve how NPC works with philanthropists. At the same time, our consulting projects with philanthropists influenced our think tank work on education and on the arts . NPC has continued to be active in the social investment market, challenging it to increase transparency and focus on its social impact. Our consulting work in this area included a groundbreaking analysis of the impact of the KL Felicitas Foundation, a unique 100% impact invested fund.
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.	<p>Over the last year NPC has consolidated its position as a leading strategy advisor to charities large and small. Our clients include an increasing number of large household name charities, such as the MS Society (see case study on page 14), for whom we have provided support on complex strategic issues. We continue to work with smaller charities and community organisations, usually under the auspices of programmes like the Cabinet Office Impact Readiness Fund, which allows charities to access our advice without having to meet the full costs themselves.</p> <p>Charities working in the area of health have been an area of particular focus. We researched and produced a major publication for the Richmond Group of Charities—a collaboration of 14 leading health and social care organisations. The report, <i>Untapped potential: Bringing the voluntary sector's strength into health and care transformation</i>, assessed the potential for charities to work with the NHS and other health commissioners. This project led to further work with Richmond Group members on how they can use their research and evidence to support their strategic objectives. We also worked with another collaboration of health charities, the Maddox Group of NHS Charities, to help them develop a collective theory of change. This approach of working with collaborations of charities on major areas of shared interest is one we hope to pursue further in future years.</p>

Plan	Progress in 2015/2016
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.	<p>We have increased our work in measurement support, tackling evaluation in the context of large organisations, such as the Alzheimer's Society, as well as small organisations. This work included the publication of our evaluation of Imara, a child sexual abuse support service: Support after trauma. We also published Measuring the well-being of young people with special educational needs. Supporting shared measurement continues to be a key focus, and as part of the Inspiring Impact programme we published our report on the use of shared data: Shared Measurement: Greater than the sum of its parts.</p> <p>Our guide to qualitative research (Listen and learn: How charities can use qualitative research) has broadened our range of guidance, and we also provided more detailed advice on evaluation in different contexts with a paper commissioned by the Money Advice Service: Balancing act: A guide to proportionate evaluation.</p> <p>We continued our training and measurement seminar series, accompanied by papers, with topics including how to measure the impact of campaigning, and reporting negative results. We have also developed our project and partnership on innovations in measurement, which will be kicking off later in 2016.</p>

Think tank

Plan	Progress in 2015/2016
Data Labs	<p>Our work on data labs has continued. After being confirmed as a permanent service at the Ministry of Justice in 2015, the Justice Data Lab's analytical capabilities expanded in 2016. A key development was the first use of data on offenders' complex needs, including levels of mental health problems and substance misuse. The work of the Justice Data Lab has been featured in <i>Civil Service Quarterly</i> and <i>The Guardian</i>.</p> <p>We continue to raise awareness of the data lab model and to make the case and push for data labs in other areas. This year we published Freeing-up education analysis, which makes the case for opening up government data on education, and we held a roundtable with health charities to make the case for a Health Data Lab. We also recruited organisations for the Employment Data Lab pilot, supported by the Department of Work and Pensions.</p> <p>Our funded programme of work on Data Labs comes to an end in early 2017, so we are working to encourage other interested organisations to continue to advocate for Data Labs and help set up Data Labs that can be used by charities.</p> <p>We are also supporting charities to make the most of their data through publications on data protection and understanding statistical significance. Over the next year, we plan to build our work to support charities to access data and use it effectively to increase their impact.</p>

Plan	Progress in 2015/2016
Social investment	The highlight of our work on social investment over the last year was the launch of Investing for impact —our review of the impact of the KL Felicitas Foundation’s impact investing portfolio. (See the case study on page 16.)
Education	In April, we published School report , an overview of the main roles of charities in and around the education system, and the opportunities and challenges they face. This paper will be followed by further work over the next year, including an analysis of some of the differences between the scope and roles of charities in the education and health sectors.
Health	Our work with health charities continues to build on the foundations set out in our 2014 paper, Supporting good health , and includes our work with the Richmond Group of Charities and Maddox Group of NHS Charities (see page 21 for more information).
Criminal justice	Our work on criminal justice has continued through client work and through the Justice Data Lab. We have also started to prepare for a new paper to be published next year, providing an overview of the criminal justice sector and an analysis of key challenges and opportunities for charities, philanthropy and policy. We published a paper sharing the findings of a roundtable on one of the main themes within our work on criminal justice—the impact of the Ministry of Justice’s Transforming Rehabilitation programme on the work of charities.
Effective charities	In preparation for updating NPC’s guide to charity effectiveness, The little blue book , next year, much of our focus this year has been on developing our work on a critical area of charity effectiveness: governance. We partnered with the Clothworkers’ Company, Prospectus and Reach to run the first Charity Governance Awards, and continued to run a successful series of seminars for charity trustees, also in partnership with the Clothworkers’ Company.

Communications

Plan	Progress in 2015/2016
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.	We continue to develop events that both set the agenda for the sector and respond to debates that are already taking place. In addition to our annual conference, public training courses and seminars, we ran events on topical issues such as <i>Can charities win back public trust?</i> and <i>Has the behaviour of large charities contaminated the whole charity sector?</i> We share the discussions with a wider audience after events, for example, through blogs, Twitter and Storify .
Refining our communications strategy, including digital strategy and brand management.	The NPC website continues to attract a good level of traffic and high levels of engagement (eg, through downloads of reports). Visitors mainly reach the site via search engines, although newsletters/direct mail, social media and other referrals (eg, media articles), and to a lesser extent Google ads, also help to drive traffic. As well as updating NPC's website to communicate our programme work better, we updated the design and content of the NPC Ignites conference website to better showcase the speakers and programme for the day.
Positioning ourselves as a commentator on key sector issues, including through our PR and media coverage.	In addition to securing coverage for our research and client projects, we drummed up coverage about our comments on the annual Sunday Times Giving List, including in The Times and Independent , and in the charity sector press (<i>Third Sector</i> , <i>Civil Society</i> and <i>City Philanthropy</i>). Mainstream media interest continued in the wake of the closure of Kids Company, and NPC regularly comments on general issues of governance and transparency. This year, our research into faith charities enabled us to break into the faith media for the first time, and included coverage in <i>The Jewish Chronicle</i> and <i>Church Times</i> .
Supporting the consulting and development teams in marketing NPC's services and promoting its mission.	The communications team provided editing, design and production support on a number of client projects, such as a report for the KL Felicitas Foundation and a Cause Briefing report on refugees and asylum seekers in the UK, as well as think tank initiatives such as submissions in response to public consultations and NPC's State of the Sector programme. The team also ran internal training on topics ranging from working with the media to writing and data visualisation.

PLANS FOR NEXT YEAR

Outlined below are the main activities we are planning for our consulting, think tank and communications work in the financial year 2016/2017 in order to achieve our mission of transforming the charity sector. These are similar to our 2015/2016 activities because our strategy remains relevant.

Consulting

The research and consulting team will work towards the following three aims by providing services directly to charities and funders to increase their effectiveness, and by producing publications and guidance to share our thinking and support the sector further. Over the next three years, our aim is also to increase the mission impact of our consulting work, and strengthen the links between what we do for clients and NPC's think tank output. Our aims are to:

- **Maintain 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 develop products in social investment. Progress thinking on how impact measurement data can feed into and influence strategy.
- **Reinforce 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

Our work as a think tank continues to grow in its scope and ambition, aiming to **tackle the greatest challenges and opportunities facing the charity sector**. Over the coming year and beyond, we will be exploring exactly what those challenges are, in the form of a programme of research, consultation, events and publications assessing the state of the sector. A first report, *[Boldness in times of change](#)*, was published this year.

Alongside impact measurement and evaluation, which have been at the heart of NPC's work since its inception, we believe that **the use of digital technology and data** are two huge areas of opportunity for charities and will be in future. These will therefore be of growing importance in our work, and we will explore new ways to help charities and funders get to grips with them and realise their benefits. We expect to address both digital technology and data through a range of approaches—research, guidance, events, and practical projects such as the collaborations we are developing in youth and health sectors.

We will be **publishing the findings of our research into faith-based charities** and holding an event to debate the unique perspectives as well as challenges of this sector.

We will continue to explore opportunities within different areas of policy and practice, with **a focus on health, education and criminal justice**. We will also continue to **develop policy responses to key issues** affecting the charity sector.

Communications

NPC's communications activities underpin our consulting and think tank work and help us to disseminate our thinking as widely as possible to ensure that we have the greatest public benefit. Our aims are to:

- **Stimulate debate** about important issues in the sector with NPC's key audiences.
- **Strengthen our position as a commentator** on key sector issues.
- **Build our digital strategy** as part of the wider communications strategy.
- **Support the research and consulting team and the development team** in promoting NPC's mission and services.



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 2016 is set out on page 35 of this report.

Financial activities

Total incoming resources for the year amounted to £2,675,154 (2015: £2,088,533), an increase of 28%.

Revenue from our consulting and think tank work totalled £1,914,988 (2015: £1,673,053), an increase of 14%. 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 2015 comparative included £63,100 of grants made, compared with £106,000 in 2016. If we adjust for this to achieve a more realistic comparison, then the year on year change becomes 12%.

Several current and former trustees made donations to NPC through our Supporters' Circle during the year. We additionally received core funding from our trustees of £182,000. In 2016, trustees' funding accounted for 9% of revenue. In 2015 this was 4%, in 2014 it was 9%, in 2013 it was 24%, in 2012 it was 16% and in 2011 it was 11%. Over time, our aim is to reduce our dependence on trustee funding by increasing and diversifying our external revenue sources.

This was the fourth year of our Supporters' Circle, from which we received revenues of £210,735 (2015: £185,005), an increase of 14%. Unrestricted grants grew by 60% to £200,000 (2015: £125,000).

Total resources expended in the year were £2,617,167 (2015: £2,334,787). Excluding pass-through grants of £106,000 (2015: £63,100), core expenditure increased by 11% compared with 2015. The major part of our core expenditure remains employee costs. Premises and technology costs are the next most significant component.

Funding

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 our trustees and other individuals, including members of the Supporters' Circle.

Investment policy

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

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 2016, NPC had unrestricted reserves of £497,313 (2015: £459,588) and £757,665 (2015: £736,804) of committed fee and unrestricted grant income. We expect average monthly expenditure in the year to 30 June 2017 to be £206,000 (2016 forecast £197,000). The total of £1,254,978 (2015: £1,196,392) of unrestricted reserves and committed donations and fees will therefore cover approximately six months of budgeted expenditure, which is in line with our reserves policy.

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

Our approach to pay

As the leading think tank and consultancy for the charity sector, we aim to attract staff from the not-for-profit sector as well as the public and private sectors—and to pay our people accordingly. NPC's remuneration process is as follows:

- The board is responsible for setting the CEO salary.
- The CEO sets the salaries of the senior management team.
- The senior management team, in conjunction with NPC's HR consultant, sets all other salaries.
- Pay is reviewed regularly and at least annually.

In setting salaries, the board, CEO and management team take into account the following principles:

- Recruitment and retention: for NPC to achieve its mission and financial sustainability, we require high calibre staff with a range of skills and disciplines. Remuneration packages take account of the market rates for comparable jobs in relevant markets.
- Affordability: the impact on NPC's financial health and overall business plan is always taken into account.
- Performance: performance targets and objectives are assessed through the annual appraisal process and taken into account in remuneration where it is relevant.
- Proportionality: the ratio of lowest to highest salary is monitored. As far as it makes business sense, we strive for parity across the organisation so that employees at comparable levels in different teams receive similar pay.
- Transparency: NPC follows SORP guidelines and lists in the annual report the number of staff earning £60,001 and above (in bands of £10,000)—see page 46. This information and our approach to pay is also publicly available on our website.
- Living Wage: NPC aims to be a Living Wage employer and does not hire unpaid interns.
- Staff at all levels have access to the same benefits, including pensions.

Trading subsidiary

The charity has a wholly-owned trading subsidiary, NPC Trading Limited. The company did not trade during the year ended 30 June 2016.

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

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

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

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

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 2016, NPC had 42 permanent employees, of whom 10 worked part time (less than 30 hours a week), giving a full-time equivalent workforce of 38.

Risks

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 chair and senior management team and annually by the trustees. The board considers the following to be high-risk areas:

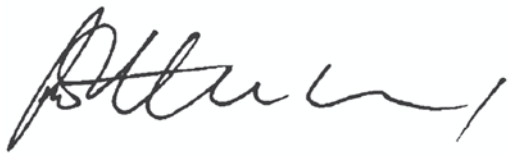
Description of the risk	Strategy
Prolonged recession or other macro-economic or political event resulting in negative environment for commissioning consulting projects.	Pursue a diverse business development plan.
Key staff are not retained or there is difficulty in recruiting good staff.	Maintain a strong relationship between trustee board and management team. Conduct annual staff survey. Agree development plan and training requirements for all staff. Conduct exit interviews and respond to and communicate findings.
Revenue from consulting falls below target because we fail to win new consulting work.	Identify clear quarterly targets. Expand the range of services and client groups—charity consulting, measurement and government tender responses. Improve marketing materials and web information and raise the profile of NPC's services and experience. Review revenue and pipeline frequently against targets to identify potential issues early. Seek feedback when we lose proposals.

Auditors

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 **13 December 2016** and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'R Atterbury', with a long horizontal flourish extending to the right.

Richard Atterbury
Chair

REFERENCE AND ADMINISTRATIVE DETAILS

Charity registration number	1091450
Company registration number	4244715
Trustees	Richard Atterbury (Chair) Harvey McGrath Marcelle Speller John Stares Baroness Deborah Stedman-Scott Peter Wheeler
Chief executive	Dan Corry
Company secretary	Jonathan Bell (until 27 May 2016) Rachel Findlay (from 28 May 2016)
Registered office	185 Park Street, London SE1 9BL
Auditors	Sayer Vincent LLP Invicta House, 108-114 Golden Lane, London EC1Y 0TL
Bankers	NatWest, Charing Cross Business Centre, 3rd Floor, Cavell House London, WC2H 0NN
Solicitors	Bates, Wells & Braithwaite 10 Queen Street Place London, EC4R 1BE

FINANCIAL STATEMENTS

Independent auditors' report to the members of New Philanthropy Capital

We have audited the financial statements of New Philanthropy Capital for the year ended 30 June 2016 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 responsibilities of the trustees set out in the trustees' annual report, 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 trustees' annual report 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 2016 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; and
- 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 trustees' annual report 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 trustees' annual report 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)

16 December 2016

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 2016

	Notes	Unrestricted Funds	Restricted Funds	2016 Total	2015 Total
		£	£	£	£
INCOME FROM					
Donations and legacies	2	592,735	25,000	617,735	310,005
Charitable activities					
Consulting	4	1,446,702	70,415	1,517,117	1,301,358
Think tank	4	-	397,871	397,871	371,695
Communications	4	118,095	17,568	135,663	96,710
Other trading activities		6,415	-	6,415	7,897
Investments	3	353	-	353	868
Total income		<u>2,164,300</u>	<u>510,854</u>	<u>2,675,154</u>	<u>2,088,533</u>
EXPENDITURE ON					
Raising funds		93,147	-	93,147	75,169
Charitable activities					
Consulting		1,280,534	76,240	1,356,774	1,224,706
Think tank		352,992	396,784	749,776	629,503
Communications		399,902	17,568	417,470	405,409
Total expenditure	5	<u>2,126,575</u>	<u>490,592</u>	<u>2,617,167</u>	<u>2,334,787</u>
Net income/(expenditure) for the year		<u>37,725</u>	<u>20,262</u>	<u>57,987</u>	<u>(246,254)</u>
Balance brought forward at 1 July		<u>459,588</u>	<u>111,922</u>	<u>571,510</u>	<u>817,764</u>
Balance carried forward at 30 June		<u>497,313</u>	<u>132,184</u>	<u>629,497</u>	<u>571,510</u>

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 38-42 form part of these financial statements.

NEW PHILANTHROPY CAPITAL BALANCE SHEET

As at 30 June 2016

	Notes	2016 £	2015 £
Tangible fixed assets			
Investments	12	1	1
Current assets			
Debtors and prepayments	14	537,403	208,651
Short-term deposits		30,165	30,151
Cash at bank and in hand		344,218	539,207
		<u>911,786</u>	<u>778,009</u>
Current liabilities			
Creditors: amounts falling due within one year	15	<u>(282,290)</u>	<u>(206,500)</u>
Net current assets		629,496	571,509
Net assets		<u>629,497</u>	<u>571,510</u>
Funds			
Unrestricted funds		497,313	459,588
Restricted funds		132,184	111,922
Total funds		<u>629,497</u>	<u>571,510</u>

The notes on pages 38-42 form part of these financial statements.

The financial statements were approved by the trustees on 13 December 2016 and signed on their behalf by:



Richard Atterbury
Chair

Company No: 4244715

NEW PHILANTHROPY CAPITAL

CASH FLOW STATEMENT

For the year ended 30 June 2016

	2016	2015
	£	£
Net (expenditure)/income	57,987	(246,254)
Adjustments for:		
Interest income	(353)	(868)
(Increase)/Decrease in debtors	(328,752)	259,023
(Decrease)/Increase in creditors	75,790	1,419
Net cash provided by/(used in) operating activities	(195,328)	13,320
Cash flow from investing activities		
Investment income—bank interest	353	868
Net cash provided by/(used in) operating activities	353	868
Change in cash and cash equivalents in the year	(194,975)	14,188
Cash and cash equivalents at the beginning of the year	569,358	555,170
Cash and cash equivalents at the end of the year	374,383	569,358

NEW PHILANTHROPY CAPITAL

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2016

1. Accounting policies

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

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)—(Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on donation and income from investments. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

FRS 102 has been adopted for the first time when preparing these financial statements. The transition date to FRS 102 was 1 July 2014 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 30 June 2015.

The following adjustments have also been made in order to comply with the new SORP/FRS 102. The effect on total funds or the net income and expenditure is shown in note 19. The main items were:

- Governance costs are no longer presented as a separate category of expenditure in the statement of financial activities as they are now regarded as part of support costs, which are allocated to the cost of activities undertaken by the charity.
- At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement of the parent charity to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability was for £35,530.

b. Income

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

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

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

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

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. Expenditure

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

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function and costs incurred in connection with the compliance with constitutional and statutory requirements, is apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity:

Expenditure on raising funds	4%
Think tank	23%
Consulting	58%
Communications	15%

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

e. Expenditure on raising funds

Expenditure on 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. Investments

Listed 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. The investment in the subsidiary is being held at cost.

l. Financial instruments

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

m. Debtors

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

n. Cash

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

o. Creditors and provisions

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

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

p. Judgements

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

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

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

- estimating the value of work in progress at the period end based on the percentage of work completed.

2. Donations and legacies

	Unrestricted	Restricted	2016	2015
	£	£	£	£
Donations from or on behalf of trustees	182,000	25,000	207,000	-
Other donations:				
Supporters' Circle	210,735	-	210,735	185,005
Grants for core funding:				
Oak Foundation	150,000	-	150,000	100,000
Tuixen Foundation	50,000	-	50,000	25,000
Total	592,735	25,000	617,735	310,005

All donation and legacy income in 2015 was unrestricted.

Total donations received from trustees was £246,000 (2015: £75,005)—this was made up of trustee donations through the Supporters' Circle, grants for projects and unrestricted funding. Additionally, an NPC trustee provided £25,000 of funding for us to further our work in social investment.

3. Income from investments

Income from investments consists of bank interest and interest receivable from short-term deposits.

4. Restricted revenue

		2016	2015
		£	£
Think tank			
<i>Data Labs</i>	Oak Foundation	117,249	103,406
	Cabinet Office	-	4,698
<i>Faith</i>	Stewardship	-	5,000
	Porticus	-	40,000
	FM Trust	10,000	-
	Quakers in Britain (BYM)	500	-
<i>Commission on the voluntary sector & ageing</i>	Big Lottery Fund	-	31,197
	Prudential	-	15,890
<i>Digital Transformation</i>	John Stares	-	5,000
	Woodroffe Benton	-	1,000
	Zing	-	6,940
	Anni Rowland-Campbell	2,000	-
	Building Change Trust	5,000	-
	Marcelle Speller	4,000	-
	Nominet Trust	11,822	-
	Barrow Cadbury Trust	5,000	15,000
	Hewlett Foundation	-	29,514
	Big Lottery Fund	194,300	46,300
<i>Inspiring Impact</i>	Calouste Gulbenkian	3,000	7,000
	Paul Hamlyn Foundation	-	10,000
	Nominet Trust	-	10,000
	Clinks	-	13,950
<i>NOMS3</i>	Lankelly Chase Foundation	-	26,800
<i>Lankelly Chase Foundation</i>	Nigel Swycher	5,000	-
	Peter Wheeler	5,000	-
<i>IP Project</i>	Odgers Berndston	5,000	-
<i>State of the Sector</i>	Indigo Trust	15,000	-
<i>Data Philanthropy paper</i>	The Hazelhurst Trust	15,000	-
<i>Philanthropy Theory of Change</i>			
Total Think Tank		397,871	371,695

4. Restricted revenue (continued)

		2016	2015
		£	£
Consulting			
<i>Stephen Lloyd Awards</i>	Stephen Lloyd Awards	-	1,600
<i>Creative Commissioning</i>	National Council for Voluntary Organisations	13,020	4,740
<i>Journey to Employment in Northern Ireland</i>	Building Change Trust	-	4,560
<i>Trustee seminars 2015</i>	Clothworkers' Foundation	9,395	19,925
<i>Sector research</i>	RS Macdonald Charitable Trust	48,000	-
Total consulting		70,415	30,825
Communications			
<i>Inspiring Impact</i>	Big Lottery Fund	5,700	-
<i>Commission on the voluntary sector & ageing</i>	Big Lottery Fund	-	3,700
	Prudential	-	19,110
<i>Trustee seminars 2015</i>	Clothworkers' Foundation	2,000	-
<i>Sector research</i>	RS Macdonald Charitable Trust	1,088	-
<i>Data Labs</i>	Oak Foundation	3,602	3,274
<i>Digital Transformation</i>	Zing	-	3,060
	Nominet Trust	3,178	-
<i>Lankelly Chase Foundation</i>	Lankelly Chase Foundation	-	1,375
<i>Faith</i>	Quakers in Britain (BYM)	2,000	-
Total communications		17,568	30,519
Total restricted revenue		485,854	433,039

5. Cost of charitable activities

	Cost of raising funds	Consulting	Think tank	Communi- cations	2016 Total	2015 Total
	£	£	£	£	£	£
Staff costs	66,134	991,806	448,403	290,331	1,796,674	1,693,091
Travel & subsistence	955	6,318	15,523	872	23,668	18,665
Recruitment & training	1,367	21,242	8,465	3,802	34,876	58,156
Consultants' fees	8,439	65,794	58,698	12,867	145,798	51,181
Subscriptions, publications & data sources	54	4,194	1,088	953	6,289	8,064
Printing & distribution	11	671	1,395	7,904	9,981	17,656
IT, telecoms & equipment	715	38,516	6,400	7,774	53,405	61,404
Marketing & PR	23	97	10,315	28,155	38,590	24,809
Grant-making	-	-	106,000	-	106,000	63,100
Other direct costs	102	11,122	4,338	6,769	22,331	18,798
Governance						
Staff costs—governance	3,091	14,988	7,478	5,412	30,969	33,745
Audit fees	411	6,771	2,737	1,764	11,683	10,150
Other support costs						
Other staff costs	360	5,941	2,402	1,548	10,251	16,060
Consultants and temp staff	1,167	19,246	7,781	5,014	33,208	18,745
Premise costs	4,885	80,510	32,548	20,974	138,917	123,532
Other office costs	1,417	23,349	9,439	6,083	40,288	28,595
IT, telecoms & equipment	1,372	22,609	9,140	5,890	39,011	28,783
Legal & professional	1,222	20,157	8,149	5,251	34,779	25,830
Bank charges	327	5,390	2,179	1,404	9,300	5,308
VAT	1,095	18,053	7,298	4,703	31,149	29,115
Total project costs	93,147	1,356,774	749,776	417,470	2,617,167	2,334,787
Total project costs 2015	75,169	1,224,706	629,503	405,409	-	2,334,787

6. Grant-making

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

	2016 Total £	2015 Total £
UK		
Association of Charitable Foundations	14,250	-
ILC-UK	-	13,000
Substance	42,750	15,000
National Council for Voluntary Organisations	26,500	-
Evaluation Support Scotland	22,500	10,000
Grants < £10,000	-	25,100
Total grants	106,000	63,100

7. Net movement in funds for the year

This is stated after charging:

	2016 £	2015 £
Auditors' remuneration		
audit	9,800	9,700
audit fees prior year	-	450

8. Trustees' remuneration and expenses

The trustees neither received nor waived any emoluments during the year (2015: £nil) and no expenses were reimbursed to trustees (2015: £nil).

9. Staff costs

	2016 £	2015 £
Wages and salaries	1,529,281	1,438,237
Social security costs	162,664	155,623
Pension costs	135,699	132,976
Total	1,827,644	1,726,836

9. Staff costs (continued)

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

	2016	2015
	No.	No.
£60,001 – £70,000	-	2
£70,001 – £80,000	2	2
£80,001 – £90,000	-	-
£90,001 – £100,000	-	-
£100,001 – £110,000	1	1

The company made contributions totalling £26,640 (2015: £40,163) during the year to a defined contribution pension scheme with respect to these employees.

The average number of employees during the year was 40 (2015: 37).

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

	2016	2015
	No.	No.
Consulting	18	15
Think tank	5	4
Development	3	2
Communications & marketing	5	5
Executive, operations & strategy	6	6
Total	37	32

The total amounts paid for salaries, fees and expenses in respect of the key management personnel of the charity were £553,799 (2015: £489,069). Key management personnel make up the senior management team, which consists of the chief executive, the chief operating officer, the interim finance director, the director of research and consulting, the director of communications, the director of development and the head of projects.

10. Related party transactions

Aggregate donations from trustees were £246,000 (2015: £75,005). More information can be found in note 2.

During the year the charity received the following from related parties:

Client	Relationship	
Big Society Capital	One of NPC's trustees is a trustee	£2,475
Social Finance	One of NPC's trustees is a board member	£14,025
The Young Foundation	One of NPC's staff members is a trustee	£63,048

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 £136,144 (2015: £132,976). At 30 June 2016, contributions amounting to £13,622 (2015: £21,216) were payable to the scheme and are included in creditors.

12. Investments

The charity has an investment of £1 (2015: £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:

	2016	2015
	£	£
Net assets	1	1
Funds (represented by one share of £1)	1	1

14. Debtors and prepayments

	2016	2015
	£	£
Trade debtors	121,099	25,755
Prepayments	59,018	39,175
Donations and fees receivable	355,732	143,026
Other debtors	1,554	695
	<u>537,403</u>	<u>208,651</u>

15. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	58,147	28,876
Taxation and social security	48,858	38,268
VAT	62,900	62,860
Pensions	13,622	21,216
Grants payable	16,500	-
Deferred income	31,347	9,180
Other creditors	19,668	3,665
Accruals	31,248	42,435
	282,290	206,500

Deferred income consists of consultancy income billed in advance.

16. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£

Fund balances at 30 June 2016 are represented by:

Investments	1	-	1
Current assets	779,602	132,184	911,786
Current liabilities	(282,290)	-	(282,290)
Total net assets	497,313	132,184	629,497

Prior Year	Unrestricted funds	Restricted funds	Total
	£	£	£

Fund balances at 30 June 2015 are represented by:

Investments	1	-	1
Current assets	666,087	111,922	778,009
Current liabilities	(206,500)	-	(206,500)
Total net assets	459,588	111,922	571,510

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	Income	Expenditure	at the end of the 2016 year
	£	£	£	£
Restricted funds				
What makes a good charity—research and revisions to NPC’s original charity analysis guide	10,000	-	(10,000)	-
Digital transformation—research into potential for digital technology in charity sector	-	26,000	(26,000)	-
Inspiring Impact—collaboration to improve impact measurement practice across charity sector	6,624	208,000	(206,956)	7,668
Cultural Commissioning Programme—research, events and contribution to steering group	-	13,020	(13,020)	-
Data Labs—advocating for and supporting the set-up of a series of data labs by government	43,973	120,851	(77,848)	86,976
Faith—research paper into faith-based charities	45,000	12,500	(41,460)	16,040
Stephen Lloyd Awards—innovation competition	500	-	(500)	-
Data in philanthropy—research into potential of open data in grant-making	-	15,000	(1,620)	13,380
State of the Sector—research into key opportunities and challenges for charity sector	-	5,000	-	5,000
IP Project—innovation in information sharing by charities	-	10,000	(6,880)	3,120
Philanthropy Theory of Change—research into potential for greater coordination of philanthropy advice	-	15,000	(15,000)	-
Social Investment product development	-	25,000	(25,000)	-
Research into the RS Macdonald Charitable Trust’s funding themes	-	49,088	(49,088)	-
Trusteeship—series of seminars exploring key themes of governance, plus a write up of each event	5,825	11,395	(17,220)	-
Total restricted funds	111,922	510,854	(490,592)	132,184
Total unrestricted funds	459,588	2,164,300	(2,126,575)	497,313
Total funds	571,510	2,675,154	(2,617,167)	629,497

17. Restricted and unrestricted funds (continued)

	At the start of the year	Income	Expenditure	Transfer	At the end of the 2015 year
	£	£	£	£	£
Restricted funds					
What makes a good charity— research and revisions to NPCs original charity analysis guide	10,000	-	-	-	10,000
Digital transformation—research into potential for digital technology in charity sector	-	16,000	(16,000)	-	-
Inspiring Impact—collaboration to improve impact measurement practice across charity sector	-	121,514	(114,890)	-	6,624
Cultural Commissioning Programme—research, events and contribution to steering group	-	4,740	(4,740)	-	-
Data Labs—advocating for and supporting the set-up of a series of data labs by government	55,047	111,378	(94,975)	(27,477)	43,973
VCS evaluation capacity building	400	-	(400)	-	-
Commission on the Voluntary Sector and Ageing—running a commission to investigate the impact of an ageing society on the voluntary sector	47,982	66,197	(114,179)	-	-
Faith—research paper into faith- based charities	-	45,000	-	-	45,000
Stephen Lloyd Awards—innovation competition	-	1,600	(1,100)	-	500
Landscaping research on systems change	-	28,175	(28,175)	-	-
Extensions and adaptation of The Journey to Employment (JET) framework for Northern Ireland	7,140	4,560	(11,700)	-	-
Improving evidence in criminal justice	12,450	13,950	(26,400)	-	-
Trusteeship—series of seminars exploring key themes of governance, plus a write up of each event	-	19,925	(14,100)	-	5,825
Total restricted funds	133,019	433,039	(426,659)	(27,477)	111,922
Total unrestricted funds	684,745	1,655,494	(1,908,128)	27,477	459,588
Total funds	817,764	2,088,533	(2,334,787)	-	571,510

18. Financial commitments

At 30 June 2016 the charity was committed to making the following payments under non-cancellable operating leases:

	Land and buildings		Other operating leases	
	2016	2015	2016	2015
within one year	47,589	30,429	226	1,872
within two to five years	-	-	-	226
Total	47,589	30,429	226	2,098

19. Impact of transition to FRS 102 and SORP 2015

Reserves position	30 June 2015	1 July 2014
	£	£
Funds previously reported	607,040	853,294
Adjustments on transition		
Holiday pay provision	(35,530)	(35,530)
Funds restated on transition	571,510	817,764

Impact on income and expenditure	2015
	£
Net income / (expenditure) as previously reported	(246,254)
Adjustments on transition	
Holiday pay provision	-
Net income / (expenditure) as restated	(246,254)

20. Detailed comparatives for the statement of financial activities (2015)

	Unrestricted Funds £	Restricted Funds £	2015 Total £
Income from			
Donations and legacies	310,005	-	310,005
Charitable activities			
Consulting	1,270,533	30,825	1,301,358
Think tank		371,695	371,695
Communications	66,191	30,519	96,710
Other trading activities	7,897	-	7,897
Investments	868	-	868
Total income	1,655,494	433,039	2,088,533
Expenditure			
Expenditure on raising funds	75,169	-	75,169
Expenditure on charitable activities			
Consulting	1,205,866	18,840	1,224,706
Think tank	252,203	377,300	629,503
Communications	374,890	30,519	405,409
Total expenditure	1,908,128	426,659	2,334,787
Net (expenditure)/income for the year before transfers	(252,634)	6,380	(246,254)
Transfers	27,477	(27,477)	-
Net movement in funds	(225,157)	(21,097)	(246,254)
Other trading activities	684,745	133,019	817,764
Other trading activities	459,588	111,922	571,510



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.

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