

**Access – The Foundation for
Social Investment**

Annual Report and Accounts

31 December 2016

Charity Registration Number
1159699

Company Registration Number
09153909

Contents

Reports

Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report (incorporating a Strategic Report)	2
Independent auditors' report	17

Accounts

Statement of financial activities	19
Balance sheet	20
Cash flow statement	21
Principal accounting policies	22
Notes to the accounts	26

Reference and administrative details of the charity, its trustees and advisers

Trustees	John Kingston OBE Annika Small Arvinda Gohil David Curtis James Perry (resigned 31 December 2016) Lorraine Oldroyd Stephen Wyler OBE Victoria Hornby Martin Rich (appointed 12 April 2016)
Principal office	New Fetter Place 8-10 New Fetter Lane London EC4A 1AZ
Telephone	020 7084 6834
Website	access-socialinvestment.org.uk
E-mail	info@access-si.org.uk
Charity registration number	1159699
Company registration number	09153909
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

The trustees present their statutory report together with the accounts of Access – The Foundation for Social Investment for the year ended 31 December 2016.

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

Strategic report

Introduction

We are Access – The Foundation for Social Investment

Our role is to increase access to capital for charities and social enterprises in England.

We work to bridge the gap between charities and social enterprises on one side and social investors on the other, to help make social investment easier to find and more relevant for those charities and social enterprises.

To achieve this we need to change the way social investment is delivered, so that it can reach the parts of the charity and social enterprise sector that are yet to benefit.

A change like this cannot happen overnight, and so we are devoting ten years to the project. Over this time we hope to help hundreds of charities and social enterprises increase the impact they can make, fuelled by social investment. We hope that their example will encourage more organisations to seek and deliver effective social investment.

We achieve our goals by:

1. Funding organisations to run grant and support programmes for charities and social enterprises - Capacity Building
2. Funding organisations to make small loans to charities and social enterprises - The Growth Fund
3. Sharing the learning from how these programmes work - Market Championing

All of our programmes are delivered through, and in partnership with, other organisations. These include existing social investors, charitable foundations, sector support organisations and grant administrators. These partners are much better able to work with the breadth and diversity of the charity and social enterprise sector than we could in isolation. We also believe that helping others to deliver social investment in a different way will have longer

term and more sustainable impact than our programmes could achieve on their own.

4. Taking a “*Total Impact*” approach

In addition to these three core activities, we seek to achieve social impact in everything we do, a “Total Impact” approach. Most significantly, we are investing our expendable endowment to achieve positive social impact with a financial return to fund our grant making, thereby increasing the total impact made by the endowment over its lifetime.

We were created in 2014 with the support of our partners the Big Lottery Fund, Big Society Capital and the Cabinet Office.

During the course of 2016 responsibility within government for the Cabinet Office grant agreement with Access moved to the Department for Culture, Media and Sport (DCMS).

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

Vision and mission

Our Vision describes the world we want to see

Our Vision is that, in order to achieve greater impact, charities and social enterprises are more financially resilient and self-reliant.

Our Mission summarises what we do to make that happen

To work towards this vision, our Mission is to build the capacity of charities and social enterprises to access social investment and to increase the supply of social investment appropriate to them.

Activities and specific objectives

Review of performance and achievement

This report covers the first full year of programme delivery, and shows the progress we have made towards our long term vision. During 2016 our capacity building programmes were launched and the first of our Growth Fund investments begun, lending to charities and social enterprises. We also placed our endowment with our investment manager who is creating a high impact portfolio for us, and our role as a market champion was supported by a number of publications and high profile events.

1. Capacity Building

Our capacity building programmes are aimed at helping charities and social enterprises in England to be better equipped to take on new forms of social investment and to understand how social investment might be relevant for them. These programmes are funded by an expendable endowment from DCMS, to be spent down over ten years.

In 2016, we:

- ◆ Finalised our approach to delivering our capacity building activities over the following two years, developing detailed specifications for:
 - ◇ The Reach Fund, offering investment readiness grants via social investors, called Access Points;
 - ◇ the Impact Management Programme, offering grants for organisations to develop their impact management strategy to help them raise investment, and to develop a “Pathway to Impact” which will make it easier for charities and social enterprises to use existing tools to develop their impact approach in a self-service way; and
 - ◇ The Social Investment Infrastructure Fund, to provide grants and other forms of investment to support the development of organisations which help charities and social enterprises better access capital.
- ◆ Ran competitive tender processes to deliver each of those programmes and appointed the Social Investment Business to run the Reach Fund, New Philanthropy Capital and a group of partners to run the Impact Management Programme, and the Barrow Cadbury Trust to run the Social Investment Infrastructure Fund.
- ◆ Supported those providers to develop, market and launch those programmes. By the end of the year:
 - ◇ The Reach Fund received expressions of interest from 36 social investors and had appointed ten Access Points, with total grant allocations of £805k.
 - ◇ The fund had been open for applications for two months. Seven grants had been awarded worth just under £100k.
 - ◇ The Impact Management Programme, delivered by a partnership led by NPC, ran two co-design sessions attended by 12 charities and social enterprises and two roundtables attended by 25 specialist support providers. Around 150 charities and social enterprises signed up to the programme via the website.

2. *The Growth Fund*

The Growth Fund tackles the gap in the supply of small loans, of under £150,000, for charities and social enterprises. We do this by providing a blend of loan and grant capital to social investors in England allowing them to offer simple investment products for the sector. It is envisaged that, by the end of the three year investment period of the Growth Fund, Access will have supported between 15 and 20 social investors.

The loan financing is provided by Big Society Capital, blended with the grant funding provided by the Big Lottery Fund. The role of Access is to facilitate and administer this programme, rather than to hold or provide the funding directly. The Joint Investment Committee decides who will receive finance from the Growth Fund. The committee includes representation from Access, the Big Lottery Fund and Big Society Capital.

By the end of 2016, we had received 52 expressions of interest from social investors, of which 22 had been discussed by the Joint Investment Committee. Four funds were live totalling £19.2m, run by Resonance, Key Fund, First Ark and Big Issue Invest. A further four offers had been made to social investors to run funds totalling a further £8.8m, and four more applications were being developed in the due diligence stage.

The four live funds had received a total of 253 enquiries from charities and social enterprises and made 10 loans worth a total of £430k.

By the end of December 2016 we had drawn £1.46M from the Big Lottery Fund and paid out £0.86M to the social investors, with the balance of £0.6M held in Access' bank account for onward submission to the social investors in early 2017.

3. *Market Championing*

Our market championing role focuses on sharing the learning from our programmes and building the evidence base for how charities and social enterprises can more easily access social investment.

During the course of the year we have:

- ◆ Sought to very clearly communicate our progress and the rationale for the design of our programmes, including through sector events and our blog;
- ◆ Published a range of research and funded other organisations to do the same, including the Institute for Voluntary Action Research and Flip Finance;
- ◆ Launched the Good Finance website in partnership with Big Society Capital and other key sector partners to help charities and social enterprises with a first point of information about social investment;
- ◆ Co-funded and helped coordinate The Gathering, a major event bringing together over 130 leaders in the UK social investment market to discuss the challenges and opportunities faced by the sector; and

- ◆ Developed and published a comprehensive learning strategy which explains how we will measure our success and gather lessons from our work during our ten year life.

4. Total Impact

The trustees are committed to investing the £60M expendable endowment from DCMS to achieve total impact. This means investing each pound to achieve the maximum social impact and, at the same time, ensuring our financial objectives and liquidity requirements are met.

By 31st December 2016:

- ◆ We had appointed Rathbones to place and manage our endowment investments, meeting them on a regular basis to work with them on refining our total impact investment strategy.
- ◆ We had set up a sub-committee of the board (the Endowment Investment Committee) to meet around four times per year to monitor and review the portfolio (representatives from Rathbones attend part of these meetings).
- ◆ Rathbones had invested £38.4M in funds and bonds on our behalf, and were holding £3.2M in cash and short term deposits to transfer back to Access to fund our capacity building programmes.
- ◆ Of the Rathbones investment, 29% was in charities and social enterprises delivering social impact in the UK, 1% was in charities and social enterprises delivering social impact elsewhere, 17% was in other organisations delivering social impact, and 53% was in other bonds and funds considered best in class for a range of environmental, social and governance (ESG) indicators.

Future objectives and planned activities:

1. Capacity Building

During 2017 we will continue supporting our delivery partners on the Reach Fund, Impact Management Programme and Social Investment Infrastructure Fund.

- ◆ We expect there to be a significant increase in the number of social investors who are Access Points for the Reach Fund, and expect up to £3M of grants will be made through the programme.
- ◆ The Impact Management Programme will have run two application rounds for grants and awarded £1.8M to around 35 organisations. The Pathway to Impact will be fully tested and resources will be available for charities and social enterprises.
- ◆ The Social Investment Infrastructure Fund will launch with an expression of interest process and the first investments will be made through the programme.

- ◆ We have developed and published our strategy for capacity building for 2018-2022, and consulted widely across the sector, alongside regularly sharing information and lessons learned from our existing programmes.

2. The Growth Fund

During 2017 we will commit the majority of the remainder of the Growth Fund and by the end of the year we will be in sight of being fully committed. In developing the programme further, during the year we will also:

- ◆ Develop a strong peer community of social investors delivering the Growth Fund;
- ◆ Seek to develop new risk finance products for charities and social enterprises;
- ◆ Support provided for Growth Fund social investors to expand their reach;
- ◆ Further develop our reporting processes in line with the needs of our stakeholders; and
- ◆ Explore options for securing additional grant subsidy for further blended finance initiatives.

3. Market Championing

During 2017 we will:

- ◆ Select a learning partner to share key lessons from our work and influence practice of others;
- ◆ Map the perceptions of Access across the social investment sector;
- ◆ Update our communications materials, also to include many more examples of how charities and social enterprises are using social investment and developing trading activities; and
- ◆ Support Good Finance to be used by an average of 2000 charities and social enterprises per month to guide their decision-making about social investment.

4. Total Impact

During 2017 we will continue to work closely with Rathbones to ensure that

- ◆ We are maximising the opportunities for investing our endowment in line with our mission;
- ◆ Our portfolio is performing as expected and producing required returns; and
- ◆ Our endowment management approach is shared with other foundations throughout the year via workshops and conferences.

Governance, structure and management

Governance

The names of the trustees who served during the period are set out as part of the reference and administrative details on page one of this annual report and accounts, and brief biographical details on each of the current trustees are given below.

<p>John Kingston OBE, Chair</p>	<p>John founded the Charities Aid Foundation social investment fund, Venturesome. He later became Chair of Nationwide Foundation and he chaired the Association of Charitable Foundations until November 2014. John also chaired the Big Lottery Fund Social Investment Committee during the launch of Big Society Capital. Earlier in his career he worked for Save the Children UK and 3i Group plc. John is a trustee of HelpAge International.</p>
<p>Annika Small</p>	<p>Annika is Co-Founder and Director of CAST, a non-profit focused on accelerating the use of technology to drive social change. Age UK, Breast Cancer Care, Safe Lives, Centrepoin, National Childbirth Trust and Parkinsons UK are among the charities working with CAST to improve their service delivery. Prior to CAST, Annika was founding CEO of Nominet Trust which, under her leadership, invested more than £25m in early-stage ventures that deploy technology for social innovation. Before this, Annika founded Generation Global which is now operational in more than 25 countries, using technology to bring together young people from different cultures to learn directly with, from and about each other. Previously Annika was CEO of Futurelab, which develops radically new approaches to teaching and learning using technology. Annika is a Trustee of the Design Council, a Trustee of Founders4Schools and a Non-Executive Director of Lightful. Annika brings to Access her first-hand experience of supporting early-stage social ventures to develop and grow as well as a strong track record in social innovation.</p>

Arvinda Gohil	Arvinda is the Chief Executive of Community Links, a social action and advocacy charity based in East London, where she has developed the organisation's capacity and structured a strategic partnership with a national charity called Catch22. Arvinda has worked in the not for profit and charitable sector all of her working life. She was previously Chief Executive of Emmaus UK, where she led the introduction of social investment to member organisations. Prior to this, she ran her own consultancy for five years, specialising in governance, leadership and equalities. Previous roles include Membership Services Director at the National Housing Federation; Assistant Director for Regulation at the Housing Corporation and Chief Executive of two Housing Associations. Arvinda has also worked in South Africa where she assisted in developing a social housing model.
David Curtis	David Curtis is Chief Operating Officer of Wakelet, a high growth technology platform, which helps people to organise online information so it's easier to find and share. Previously, David was MD of the Timewise Foundation, which helps businesses to attract and develop the best talent through flexible working. David began his career in project finance and investment banking, leaving Merrill Lynch in 2002 to join CAF Venturesome in its early stages of growth.
Lorraine Oldroyd	Lorraine currently supports the Social Enterprise Investment Fund as a member of the fund's external panel. Until December 2015 Lorraine supported the £60m CDFA Regional Growth Fund programme, formerly as a member of its external investment panel and from September to December 2015 as the panel's liaison with delivery partners. The CDFA Regional Growth Fund programme partners with Unity Trust Bank and the Cooperative Bank, supporting business growth. Lorraine retired in 2013, after 12 years at Key Fund, 8 of those as Chief Executive. Previous to that, Lorraine spent time in resource management and administration including periods in manufacturing, agriculture, HM Services and education. She was a director of the CDFA for 6 years and has spent time as a school governor.

Steve Wyler, OBE	Steve Wyler was CEO of Locality between 2011 and 2014 and previously Director of the Development Trust Association for ten years before it merged with Bassac to become Locality. Prior to this, he worked as an advisor to grant making organisations including the Big Lottery Fund, Sainsbury Family Charitable Trusts, the Kings Fund and the Bridge House Estate Trust Fund. He is a former Vice Chair of Social Enterprise UK, Social Investment Task force advisor and co-founder and board member of the Adventure Capital Fund. He sits on the Board of a number of charitable organisations and having taken the decision to leave his executive role at Locality, is working as an independent advisor and writer in the field of social change and innovation.
Victoria Hornby	Victoria is Director of Grants and Evaluation for the Royal Foundation of the Duke and Duchess of Cambridge and Prince Harry, where she has been since 2011. Previously, she was on the executive team of the Sainsbury Family Trusts for nearly 12 years during which time she managed the social investment portfolios of the four Sainsbury Family Charitable Trusts and led the Trusts' interests in social investment both as a grant-maker and as a social investor. Victoria also served as a member of the Futurebuilders Investment Committee. Current non-executive roles include: Director, Social Finance and Trustee of Bridges Charitable Trust.
Martin Rich	Martin Rich is the Co-founder and Executive Director of Future-Fit Foundation, a non-profit focused on creating a truly sustainable future. Before this he spent seven years as Sales Director of Social Finance Limited where he focused primarily on developing the investor base for social impact investments and also served as a member of the Asset Allocation Working Group for the G7 Social Investment Task Force. Martin previously spent over 12 years in international investment banking working on structured finance products for UBS, JPMorgan and HSBC. He has a passion for sustainable development and poverty relief and is engaged in a range of trustee, investment committee and advisory roles, including as a member of the Social Investment Business Assets and Liabilities Committee, helping to oversee the investments of the Futurebuilders and Modernisation funds.

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

On 31st December 2016 James Perry resigned from the Board of Trustees, having been appointed in December 2014. A recruitment process is underway to fill this vacancy, with the emphasis on recruiting a trustee with voluntary sector experience.

Key management personnel

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

Statement of trustees' responsibilities

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

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

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Structure and management reporting

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

Access is governed by the Board of Trustees. The Board of Trustees meets six times a year, including an annual strategic away day. The trustees delegate the day-to-day management of Access to the Executive team.

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

The Endowment Investment Committee (EIC) is the second formal subcommittee of the board, comprising three trustees. The EIC is responsible for the relationship with our investment managers (Rathbones), and its role is to monitor both the social impact and financial performance of the social investments that are being managed on Access' behalf by Rathbones from the endowment funds provided by DCMS. It held its first formal meeting in January 2017, having previously met as an informal working group. The EIC plans to meet four times per annum.

A working group has also been established to assist with programme development. Called the Reach Group, it also meets around four times per annum.

Risk management

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

The Audit and Risk Committee reviews the risk register on a six monthly basis, with any medium to high risks, either in terms of impact or likelihood, reviewed on a quarterly basis.

There are two key performance risks, which have been identified which may impact on our ability to achieve our objectives:

1. The Growth Fund's structure and processes may mean that there is a disproportionate burden of reporting passed on to charities and social enterprises receiving the loans. To mitigate this Access and the partners on the Growth Fund are working hard to simplify the requirements and the documentation which support the programme. We are also working closely with the social investors on the programme to share best practice and develop templates.
2. The Capacity Building programmes may not bring about transformation in the charities and social enterprises it funds because the programmes are not designed in the right way to provide the right support at the right time. To mitigate this we are working closely with our delivery partners and the grantees to ensure that we are responding to feedback and changing needs and other developments in the external environment.

Policies relevant to activities

Grant making policy

Access is able to award grants in a variety of ways, namely via the Growth Fund, the Capacity Building programmes or for research work as part of the Market Championing strand. In awarding grants, we apply the following principles:

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

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

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

Investment policy

The Capacity Building programme, market championing work, and a portion of Access' running costs is funded via an expendable endowment, granted by DCMS. Our mandate is to invest our expendable endowment to achieve positive social impact with a financial return to fund our grant making, thereby increasing the total impact made by the endowment over its lifetime. This is part of our "Total Impact" approach.

The Access Endowment Working Group, comprising members of the Access Executive, trustees and independent advisors, developed our investment strategy and approached a number of asset managers to provide interpretations of our brief. Three organisations were short listed, and in early 2016 they made their presentations. After a thorough process Rathbones were selected as our investment manager, helping us to finalise our investment strategy. In July 2016, the majority of our endowment funds were transferred to Rathbones, who are now selecting and managing the investments on our behalf.

Prior to this, while the "Total Impact" approach was under development, the endowment funds received had been invested in a range of short term notice accounts, spread across four banks to ensure the desired liquidity and diversification.

Our investment strategy takes into account our expenditure and liquidity needs, the financial risk profile, and, the social impact/social return that the portfolio will be able to generate. In terms of the impact that the portfolio will seek to achieve, we have adopted a tiered view of the varying degrees of impact. In descending order, Access invests in:

1. Charities and social enterprises delivering social impact in the UK – at 31st December 2016 this was 29% of total investments.
2. Charities and social enterprises delivering social impact elsewhere – at 31st December 2016 this was 1% of total investments.
3. Other organisations delivering social impact – at 31st December 2016 this was 17% of total investments.
4. Other organisations that have best in class Environmental, Social and Governance (ESG) indicators (with a priority on S&G). – at 31st December 2016 this was 53% of total investments.

Financial review

Results for the period

The Statement of Financial Activities (SOFA) shows that Access' surplus in the second year of operations, before investment losses, is £6.76M (period to 31 December 2015 - £36.03M), which primarily consists of the receipt of the second tranche of the expendable endowment from DCMS of £7.35M (period to 31 December 2015 - £36M). The remaining portion of the £60.65M total endowment will be received over the next four years.

The endowment will be spent over the next nine years on our Capacity Building and Market Championing work. It will also be used to part fund the running costs of Access. During the year to 31 December 2016, £168k of grants were paid and are included within project costs of capacity building, £558k was paid for project management, £85k on market championing (2015 - £45k), and £271k towards office running costs (2015 - £75k). The project management costs relate to the establishment of robust and effective programmes, and the proportion of our costs that are paid out as grants to charities and social enterprises will significantly increase in the years ahead. There is a smaller surplus in the year to 31 December 2016 due to the large initial tranche received in the previous year (£36M) while the equivalent tranche received in the current year (£7.35M) was much smaller. Our office running costs are relatively low due to the fact that we are a lean organisation employing just 5 staff who oversee all of our programmes and activities (higher than last year when an average of 1.5 staff were employed during our development phase).

Other sources of income include investment income of £532k (period to 31 December 2015 - £176k) and income of £203k (period to 31 December 2015 - £158k) earned as a result of the Service Level Agreement in place with the Big Lottery Fund for running the Growth Fund.

Staff costs for the year were £298k (2015 - £162k) and these were contributed to by the Endowment (£176k) and the Big Lottery Fund (£122k).

Costs incurred of £64k (period to 31 December 2015 - £14k) on raising funds, relate to the fees paid for the management of the short term deposit accounts and fees paid to investment managers, Rathbones for the management of the investment portfolio.

Reserves policy and financial position

The balance sheet shows total funds of £42.66M (period to 31 December 2015 - £36.03M).

These funds include expendable endowment funds of £42.34M (period to 31 December 2015 - £35.82M). Whilst the income from these funds may be used for general purposes of the charity, it has been retained within the endowment fund to be used over the next nine years to fund our Capacity Building programmes, and to part-fund the running costs of Access.

Also included in total funds is an amount of £22k (period to 31 December 2015 - £37k) which is restricted. This relates to monies received from the Big Lottery Fund for the specific purposes of part-funding the running costs of Access. Full details of these restricted funds can be found in note 18 to the accounts together with an analysis of movements in the period.

No funds have been designated, or set aside, by the trustees for specific purposes.

General funds of the charity at 31 December 2016 total £297k (period to 31 December 2015 - £176k). These funds are represented by tangible fixed assets with a net book value of £1k and "free reserves" of £296k.

The majority of Access' grant making programmes and running costs will be funded via an expendable endowment of £60.65M from DCMS. £43.35M of the endowment has been received to date with the remainder due over the next four years. This £60.65M will in turn be spent over the next nine years in the delivery of Access' programmes. Given that the endowment fund is essentially an income fund rather than that of a capital nature, a traditional reserves policy is not considered necessary. Access will receive all funding ahead of when these resources will be committed and therefore the funds are considered adequate to meet the running costs of Access as well as the grant funding of our programmes.

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

Investment performance

During the year we compiled an investment portfolio with Rathbones. At 31 December 2016, the market value of these investments stood at £41.65M which included cash held of £3.23M. The cost of these investments amounted to £41.76M, and there was an unrealised loss on the change in market value of £111k. Income from this investment portfolio amounted to £411k, and so the investments achieved an income yield of 9.87%.

The trustees are satisfied with the performance of the investments, indeed the unrealised loss noted above has subsequently been extinguished and replaced by an unrealised gain, and we look forward to these investments continuing to perform well throughout 2017.

The charity's assets

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

Auditors

Each of the trustees confirms that:

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

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

Approved by the trustees and signed on their behalf by:

Trustee



Approved by the trustees on:

10 May 2017

Report of the independent auditors to the members of Access – The Foundation for Social Investment

We have audited the financial statements of Access – The Foundation for Social Investment for the period ended 31 December 2016 which comprise the statement of financial activities, the balance sheet, statement of cash flows; the principal accounting policies 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 charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity'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 Trustees' Responsibilities Statement 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 (APB'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 including the Strategic 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 31 December 2016 and of its income and expenditure for the period 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.

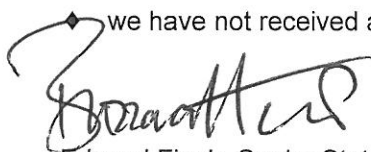
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report including the Strategic 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; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.



Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

22/5/17

Statement of financial activities Year to 31 December 2016

					Period from 30 July 2014 to 31 December 2015 Total funds £'000
	Notes	Unrestricted funds £ '000	Restricted funds £'000	Endowment funds £'000	2016 Total funds £'000
Income and endowments from:					
Grants	1	—	—	7,350	7,350
Income from charitable activities	2	—	242	—	242
Investments	3	121	—	411	532
Other Income	4	—	—	—	—
. Set-up phase funding		—	—	—	—
Total income		121	242	7,761	8,124
Expenditure on:					
Raising funds	5	—	—	64	64
Charitable activities	6	—	39	958	997
. Capacity Building		—	218	—	218
. Growth Fund		—	—	85	85
. Market Championing		—	—	—	—
Other	8	—	—	—	—
. Set-up phase costs		—	—	—	—
Total expenditure		—	257	1,107	1,364
Net income (expenditure) for the year before losses on investments	9	121	(15)	6,654	6,760
Net investment losses	14	—	—	(127)	(127)
Net movement in funds		121	(15)	6,527	6,633
Reconciliation of funds:					
Total funds brought forward		176	37	35,816	36,029
Total funds carried forward		297	22	42,343	42,662

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

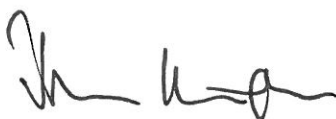
All of the charity's activities derived from continuing operations during the above financial period.

Balance sheet As at 31 December 2016

	Notes	2016 £'000	2016 £'000	2015 £'000	2015 £'000
Fixed assets					
Tangible assets	13		1		2
Investments	14		41,654		—
			41,655		2
Current assets					
Debtors due within one year	15	185		94	
Short term deposits		—		35,741	
Cash at bank and in hand		1,490		290	
		1,675		36,125	
Creditors: amounts falling due within one year	16	(668)		(98)	
Net current assets			1,007		36,027
Total net assets			42,662		36,029
The funds of the charity:					
Endowment funds	17		42,343		35,816
Restricted funds	18		22		37
Unrestricted funds					
. General fund			297		176
			42,662		36,029

Approved by the trustees
and signed on their behalf by:

Trustee



Approved on:

10 Mar 2017

Access – The Foundation for Social Investment: A company limited by guarantee, Company Registration No. 09153909 (England and Wales)

Statement of cash flows Period to 31 December 2016

	Notes	2016 £'000	2015 £'000
Cash provided by operating activities	A	6,737	35,945
Cash (used in) / provided by investing activities	B	(38,044)	86
Change in cash and cash equivalents in the year	C	(31,307)	36,031
Cash and cash equivalents at 1 January 2016		36,031	—
Cash and cash equivalents at 31 December 2016		4,724	36,031

Notes to the statement of cash flows for the year to 31 December 2016

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

	2016 £'000	2015 £'000
Net movement in funds	6,633	36,029
Depreciation charge	1	1
Losses on investments	127	—
Interest receivable	(502)	(89)
Increase in debtors	(92)	(94)
Increase in creditors	570	98
Net cash provided by operating activities	6,737	35,945

B Gross cash flows

	2016 £'000	2015 £'000
Investing activities		
Payments to acquire tangible fixed assets	—	(3)
Invest income	502	89
Purchase of investments	(39,647)	—
Proceeds from disposals of investments	1,101	—
	(38,044)	86

C Analysis of changes in cash and cash equivalents

	At 31 December 2015 £'000	Cash flows £'000	Other changes £'000	At 31 December 2016 £'000
Cash at bank and in hand	290	1,200	—	1,490
Cash held by investment managers	—	3,234	—	3,234
Deposits maturing in less than three months	35,741	(35,741)	—	—
Total	36,031	31,307	—	4,724

Principal accounting policies Year ending 31 December 2016

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

Basis of accounting

These financial statements have been prepared for the year to 31 December 2016.

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP 2015'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

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

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

Going concern

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

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

Income

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

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

In accordance with the Charities FRS 102 SORP 2015 volunteer time is not recognised.

Income (continued)

Grants from government towards the Capacity Building are expendable funds that are specifically restricted to Capacity Building activity. These income funds are put on deposit and invested prior to expenditure and have been included as endowment funds.

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

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

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

Expenditure and the basis of apportioning costs

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

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

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

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

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets

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

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

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

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

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

One of the main forms of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains (or losses) on investments are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

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

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than a month from the date of acquisition. Deposits for more than one month but less than one year have been disclosed as short term deposits. Cash placed on deposit by our investment managers Rathbones (£3.23M) is disclosed as a fixed asset investment.

Creditors and provisions

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

Fund accounting

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

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

The tangible fixed assets fund comprises the net book value of charity's tangible fixed assets, the existence of which is fundamental to the charity being able to perform its charitable work and thereby achieve its charitable objectives. The value represented by such assets should not be regarded, therefore, as realisable.

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

Pension costs

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

1 Grants

	Endowment funds £'000	2016 Total funds £'000	2015 Total funds £'000
DCMS	7,350	7,350	36,000
2016 Total funds	7,350	7,350	36,000
2015 Total funds	36,000	36,000	

2 Income from charitable activities

	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
The Big Lottery Fund	203	203	158
DCMS: Capacity Building	6	6	—
Power to Change Trust	33	33	—
2016 Total funds	242	242	158
2015 Total funds	158	158	

3 Income from investments

	Unrestricted funds £'000	Endowment funds £'000	2016 Total funds £'000	2015 Total funds £'000
Interest receivable				
. Bank interest	121	—	121	176
Investment income receivable	—	411	411	—
2016 Total funds	121	411	532	176
2015 Total funds	176	—	176	

4 Other income

	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Set-up phase funding			
Grants			
. The Cabinet Office	—	—	80
. Big Lottery Fund	—	—	80
Gifts in kind			
. Big Society Capital	—	—	80
2016 Total funds	—	—	240
2015 Total funds	240	240	

5 Expenditure on raising funds

	Endowment funds £'000	2016 Total funds £'000	2015 Total funds £'000
Deposit account management	4	4	14
Investment manager fees	60	60	—
2016 Total funds	64	64	14
2015 Total funds	14	14	

6 Expenditure on charitable activities

	Restricted funds £'000	Endowment funds £'000	2016 Total funds £'000	2015 Total funds £'000
Capacity Building				
. Grants	33	135	168	—
. Project management costs	6	552	558	
. Support costs (note 7)				
.. Office costs		74	74	25
.. Staff costs	—	152	152	79
. Governance costs		45	45	21
	39	958	997	125
Growth Fund				
. Support costs (note 7)				
.. Office costs	65	—	65	31
.. Staff costs	122	—	122	69
. Governance costs	31	—	31	21
	218	—	218	121
Market Championing				
. Research costs	—	49	49	25
. Support costs (note 7)				
.. Office costs	—	12	12	6
.. Staff costs	—	24	24	14
	—	85	85	45
2016 Total funds	257	1,043	1,300	291
2015 Total funds	121	170	291	

Capacity Building:

Capacity building comprises work involving the consultation, design, implementation, monitoring and evaluating of grant based programmes to build the capacity of charities and social enterprises. This is in order to help such organisations become robust, competitive and sustainable by assisting them to participate in the social investment market and become better equipped to be investment-ready and secure new forms of investment.

6 Expenditure on charitable activities (continued)

Growth Fund:

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

Market Championing:

These activities enable Access to become a Market Development Champion for charities and social enterprises who are getting ready to access social investment, especially those new to repayable capital.

7 Support costs

Support costs comprise governance costs and other support costs:

	Charitable activities				
	Capacity Building £'000	Growth Fund £'000	Market Championing £'000	2016 Total funds £'000	2015 Total funds £'000
Staff costs	152	122	24	298	162
Governance costs	45	31	—	76	42
Office costs	74	65	12	151	62
	271	218	36	525	266

	2016 Total funds £'000	2015 Total funds £'000	Basis of apportionment
Support costs			
Staff costs	298	162	Head count & role description
Governance costs	76	42	Funding agreements
Office costs	151	62	Head count & role description
	525	266	

8 Other expenditure

Set-up phase costs comprise:

	Restricted funds £'000	2016 Total funds £'000	2015 Total funds £'000
Legal Fees & Consultancy	—	—	143
Recruitment	—	—	49
Marketing & Website development	—	—	42
Other	—	—	6
2016 Total funds	—	—	240
2015 Total funds	240	240	

9 Net income (expenditure)

This is stated after charging (crediting):

	Restricted funds £'000	Endowment funds £'000	2016 Total funds £'000	2015 Total funds £'000
Staff costs (note 10)	122	176	298	162
Auditors' remuneration				
. Statutory audit assurance	7	8	15	4
. Other services	1	—	1	2
Depreciation	—	1	1	1

10 Employee and key management remuneration

Summary

Staff costs during the period were as follows:

	2016 £'000	2015 £'000
Wages and salaries	235	135
Social security costs	28	16
Other pension costs	35	11
	298	162

10 Employee and key management remuneration (continued)

Staff numbers

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

	2016 Number	2015 Number
Charitable activities		
. Capacity Building	2.16	0.70
. Growth Fund	2.16	0.70
. Market Championing	0.48	0.10
	4.80	1.50

The average number of employees employed during the year to 31 December 2016 was 5 (2015 – 2).

Higher paid employees

The Access CEO is awarded a salary of £82.7k (2015 – £81.5k) per annum. No other employees earn in excess of £60,000 per annum.

Key management personnel

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

The total employee benefits of the key management personnel of the charity was £257k (2015 – £144k).

One of the trustees received remuneration in respect of their services during the period for £10.8k (2015 – £12.5k). During the period out of pocket travelling expenses amounting to £5k (2015 – £3.4k) were reimbursed to 4 (2015 – 4) trustees.

11 Insurance

The charity has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £13,421 (2015 - £6,608) and provides cover of up to a maximum of £2m for professional indemnity insurance and up to £5m for directors and officers liability.

12 Taxation

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

13 Tangible fixed assets

	Plant, vehicles & IT equipment £'000	Total £'000
Cost or valuation		
At 31 December 2015	3	3
Additions	—	—
At 31 December 2016	3	3
Depreciation		
At 31 December 2015	1	1
Charge for period	1	1
At 31 December 2016	2	2
Net book values		
At 31 December 2016	1	1
At 31 December 2015	2	2

14 Investments

	2016 £'000
Listed investments	
Market value at 1 January 2016	—
Additions at cost	39,647
Disposals at book value (proceeds: £1,101,000; loss: 15,861)	(1,117)
Net unrealised investment losses	(111)
Market value at 31 December 2016	38,419
Cash held by investment managers	3,234
	41,653
Cost of listed investments at 31 December 2016	41,764

Listed investments held a 31 December 2016 comprised the following:

	2016 £'000
UK fixed interest	41,395
Overseas fixed interest	258

14 Investments (continued)

At 31 December 2016 listed investments included the following holdings, which represented material holdings relative to the market value of the total listed investments portfolio held at that date:

	Market value £'000	Percentage of portfolio %
Motability Operations Group	2,351	6.12%
Edentree Investment Management	2,300	5.99%
Kames Capital	2,986	7.77%
Standard Life Investments	1,979	5.15%
Places for People	2,061	5.36%
Rathbone Unit Trust Management	2,464	6.41%

All investments were dealt in on a recognised stock exchange.

15 Debtors

	2016 £'000	2015 £'000
Due within one year		
Prepayments	146	7
Accrued interest income	—	87
Other debtors	30	—
VAT repayable	9	—
	185	94

16 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	80	—
Money held as agents (see below)	464	—
VAT Payable	—	18
Accruals and deferred income	115	69
Other Creditors	9	11
	668	98

The movement on money held as agents during the year ended 31 December 2016 was as follows:

	2016 £'000
Funds received from the Big Lottery Fund	699
Fund distributed to investors	(235)
Funds held as agents at 31 December 2016	464

16 Creditors: amounts falling due within one year (continued)

Access holds money on received from the Big Lottery Fund in order to distribute it to investors. The grant income and expenditure does not belong to Access and it therefore not included within the SOFA.

17 Endowment funds

	At 31 December 2015 £'000	Income £'000	Expenditure £'000	At 31 December 2016 £'000
DCMS	35,816	7,761	(1,234)	42,343
	<u>35,816</u>	<u>7,761</u>	<u>(1,234)</u>	<u>42,343</u>

The funds were established as follows:

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

18 Restricted funds

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

	At 31 December 2015 £'000	Income £'000	Expenditure, gains, losses and transfers £'000	At 31 December 2016 £'000
Big Lottery Fund Grant Budget for Growth Fund	37	203	(218)	22
DCMS: Capacity Building	—	6	(6)	—
Power to Change Trust	—	33	(33)	—
	<u>37</u>	<u>242</u>	<u>(257)</u>	<u>22</u>

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

Big Lottery Fund Income

This is funding for the administration and servicing of the Growth Fund. This includes the launch and promotion of the grant process, development and hosting of webpages, provision of support and guidance to social investors and promotion of awareness of the Programme.

Capacity Building

The is funding for capacity building programmes which are aimed at helping charities and social enterprises in England to be better equipped to taken on new forms of social investment and to understand how social investment might be relevant for them. The capacity building restricted fund income of £39k comprises a grant from Power to Change (£100k received, £67k deferred) and a grant from DCMS (£20k received, of which £14k was deferred).

19 Analysis of net assets between funds

	General funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2016 £'000
Fund balances at 31 December 2016 are represented by:				
Tangible fixed assets	1	—	—	1
Investments	—	—	41,654	41,654
Net current assets	296	22	689	1,007
Total net assets	297	22	42,343	42,662

	2016 £'000
Total unrealised losses included above:	
On investments	(111)
Total unrealised gains at 31 December 2016	(111)
Reconciliation of movements in unrealised gains	
Unrealised gains(losses) at 1 January 2015	—
Less: in respect to disposals in the year	—
Add: net losses arising on revaluation in the year	(111)
Total unrealised losses at 31 December 2016	(111)

20 Pension commitments

The charity operates a personal pension scheme which is a defined contribution scheme whereby the charity contributes 8% of salary, on the basis of a minimum employee contribution of 4%. Staff are eligible to join the scheme at the start of their employment. The scheme is managed by Royal London.

The total contributions payable by the charity was £35,066 (2015 - £11,206).

21 Ultimate parent undertaking

Big Society Trust is considered to be the ultimate parent undertaking of the charity.

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

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

22 Related party transactions

Access – The Foundation for Social Investment rent out office space from the Big Society Capital, whose majority shareholder is the Big Society Trust (see note 21). Rent is paid under an operating lease at a rate of £5,833 per month and this lease can be cancelled with one months' notice.

Other than those transactions described above and detailed in note 10, there were no other related party transactions during the period (2015 – none).

There were no donations from trustees in the year (2015 – none).