Report and Financial Statements

31 December 2020

Report and Financial Statements
31 December 2020

Contents

Company Information

Directors

Sir Harvey McGrath[1,3] (Chair)
Chair of West London Zone and Funding London, Trustee of New Philanthropy Capital and Director of the Impact Investing Institute. Former Chair of Prudential plc, Man Group plc, Heart of the City and the London Development Agency.

Christina McComb OBE[3] (Senior Independent Director)
Chair of OneFamily and Standard Life European Private Equity Trust plc. Trustee of Nesta.

David Hunter (Chair of Audit Risk and Compliance Committee)[2]
Chair of UCLB Ltd (which manages technology transfer and investments/licences for University College London). Chair of the Investment Committee of the Care and Wellbeing Fund (backed by Macmillan Cancer Care and Big Society Capital). Chair of the Audit Committee at Gresham House Renewable Energy VCT1 plc. Treasurer at Motability.

Kieron Boyle (Chair of Nominations and Remuneration Committee)[1]
Chief Executive of Guy's and St Thomas' Charity, Trustee of Design Council and Catch22. Chair of the Investment Committee for Nesta's Cultural Impact Development Fund and a member of the Mayor of London's Childhood Obesity Taskforce. Advisory Board member of the World Policy Institute and the Global Steering Group for Impact Investment.

Alan Giddins[3,4]
Chair of Hill & Smith Holdings plc. Formerly Managing Partner and Global Head of Private Equity at 3i Group and a member of its Executive and Investment Committees.

Anne Wade
Chair of NextEnergy Renewables. Non-Executive Director of John Laing Group plc, Man Group plc and Summit Materials. Trustee of the Heron Foundation and Partner of Leaders' Quest.

Chris Wright[1,4]
Chief Executive of Catch22. Chair of Catalyst Choices CIC. Director of We are JUNO CIC, Trustee of Community Links, The Lighthouse CIO, Unlocked Graduate, Only Connect, Launch22 and Catch22 Multi-Academy Trust.

Fiona Ellis[2]
Former Chair of the BBC Appeals Advisory Committee, Trustee of the People's Operator Foundation, Chair of NCVO Funding Commission, Trust Manager of the Millfield House Foundation and Vice Chair of the Nationwide Foundation and Futurebuilders.

Lesley-Anne Alexander CBE[1]
Non-Executive Director for Metropolitan Thames Valley Housing Trust and Meridian Water Regeneration Company, Advisor to the Institute for Apprenticeships and Technical Education and The MicroLoan Foundation. Former CEO of the RNIB and Director of Operations for the Peabody Trust.

Stuart Foster (Big Society Capital Director nominated by the shareholder banks)[2]
Managing Director of Institutional Banking and Depositary Services at RBS International.

Secretary
Katie Hall-May

Auditor
KPMG LLP
15 Canada Square
London
E14 5GL

Banker
HSBC plc
69 Pall Mall
London
SW1Y 5EY

Registered office
New Fetter Place
8-10 New Fetter Lane
London
EC4A 1AZ

Registered number
07599565

[1] Member of the Nominations and Remuneration Committee
[2] Member of the Audit, Risk and Compliance Committee
[3] Member of the Investment Committee
[4] Member of the Valuation and Performance Committee

Strategic Report

Introduction

The following report sets out Big Society Capital's key activities during 2020 together with the financial performance for the year. In a year defined by the global pandemic, the need for the business to succeed in its aim to improve the lives of people in the UK was greater than ever. Covid-19 brought great challenge, both to individuals and to many of the organisations which Big Society Capital seeks to support and to collaborate with. The company worked closely with government and other partners in the early stages of Covid-19, to support organisations in the Social Impact Investment Portfolio. Big Society Capital adapted its existing investments through capital and interest rate holidays, to give cashflow relief to organisations affected by the crisis, and shared important information for the sector across the Big Society Capital and Good Finance websites. It also co-ordinated with a range of investors and the Department for Digital, Culture, Media & Sport (DCMS) to provide new funding, which included the accelerated release of £45 million of previously committed dormant account money to the company. This enabled the establishment of the £25 million Resilience and Recovery Loan Fund (managed by Social Investment Business and financed by Big Society Capital) to provide emergency loans to social enterprises and charities disrupted by Covid-19, changes to the £30 million Community Investment Enterprise Facility to allow loans under the Coronavirus Business Interruption Loan Scheme, and the repurposing and rescheduling of planned commitments.

The company took a significant step in 2020, with the launch of the Schroder BSC Social Impact Trust plc (SBSI), where the company is the delegated portfolio manager, the first time it has undertaken such a role. SBSI has invested in high-impact housing, debt funds for social enterprises, and social outcomes contracts, creating the potential to bring considerable further investment into the social impact market, which has grown six-fold since the company was established in 2012.

2020 also saw the publication of the Independent Quadrennial Review into Big Society Capital carried out on behalf of the Oversight Trust - Assets for the Common Good (the Oversight Trust), which provided a valuable external perspective. Both the report and the responses from the Oversight Trust and Big Society Capital are available in full on our website. The interviewees and the supporting data demonstrated that Big Society Capital has made substantial progress towards its ambitious and challenging objectives as a result of its activities as a social investment wholesaler and as a market builder. A number of useful suggestions were also made for further consideration, allowing Big Society Capital to take stock and consider how it might build on successes and address issues. The company committed to a schedule of actions to be taken throughout the second half of 2020 and into 2021 to maintain and enhance its performance in respect of stakeholder experience. A full outline of this plan can be found on the website.

Big Society Capital's long-term objective is to generate positive financial returns alongside demonstrable social impact. The company made a profit in 2020, and this will be used to achieve further social impact, by making investments to address social issues aimed at improving lives in the UK. The generation of financial returns will also enable the company's operational and market building costs to be covered, and move the company towards generating returns for its shareholders. When balanced against losses in previous years the positive returns in 2020 put us on a track towards operating on a sustainable basis, although as noted in the financial performance commentary on page 12, there are potential future downsides to portfolio performance as government support measures put in place to support the economy during the Covid-19 pandemic are unwound.

This report looks back at the year 2020, a year in which many of the company's objectives set out in its Business Plan were disrupted or delayed, and crucial new initiatives undertaken in response to the Covid-19 pandemic to ensure new investment was directed where the need was most significant. The speed and scale of Big Society Capital's response is largely due to the commitment, adaptability and dedication of our Executive Committee members as well as the entire staff team, to whom grateful thanks are due. In May 2020 Cliff Prior stepped down after four years as Chief Executive. At that time Stephen Muers was appointed Interim Chief Executive pending the appointment of a permanent Chief Executive. The business is currently developing a fresh strategy and updated organisational goals through to 2025.

Strategy and purpose

Big Society Capital's overriding purpose is to improve the lives of people in the UK, through investment with a sustainable return. The company exists to make a difference: to help create a fair society by improving the lives of people in the UK through investment.

Working with expert partners, it seeks to understand people's needs first. Then, using its knowledge and capital, it collaborates and invests with fund managers and social banks who also want to create a better, sustainable future. They, and the social enterprises and charities they invest in, create the impact. Big Society Capital's role is to bring the most relevant experts from its network to the table, generating ideas and connecting capital to where it's most needed.

Big Society Capital is currently focusing its efforts on three areas where it believes social impact investment can be particularly effective: homes for people in need, supporting places and early action to address the root causes of social challenges. In addition, it will continue to make capital available to opportunities outside these focus areas, including follow-ons from existing funds where it is seeing an impact or well-formed and highly impactful incoming propositions.

Big Society Capital's five corporate objectives cascade from this strategy and purpose. They guide team objectives and ultimately feed into objectives for individual staff members.

Corporate objectives

1. **To support and invest in innovative models that use social impact investment to enable those in most need to live in affordable, safe and secure homes – while creating wider change in the market.**
2. **To support and invest in innovative models that use social impact investment to strengthen communities in disadvantaged areas, to build local solutions that improve people's lives.**
3. **To support and invest in innovative models that use social impact investment to help improve people's lives, by tackling problems at an earlier stage.**
4. **To build and sustain a successful social impact investment market.**
5. **To grow Big Society Capital's impact, effectiveness, sustainability and reputation.**

How we achieve our impact (our business model)

Big Society Capital and other investors alongside it have together made over £2.2 billion of new capital available to organisations with a social mission. As a wholesale social impact investor, Big Society Capital invests in funds alongside others, rather than investing directly.

The company aims to identify the sustainable business models that will create impact and improve people's lives, as well as achieving positive investment returns. The organisation focuses on those models that can attract other investors, as ultimately these will provide the opportunity to scale and have greater impact. By investing its capital, the company aims to build a thriving ecosystem, which has strong impact-driven fund managers and more available finance from diverse sources. The company will judge its ultimate success by the growth and social impact of the broader environment it helps create, not just the direct impact of its investment capital.

Big Society Capital also acts as a market builder to increase awareness of, and confidence in, social impact investment. It does this by encouraging other organisations to engage with the market, developing research that builds understanding, improving the measurement of social impact, and advocating for an appropriate policy environment.

Big Society Capital's operating model is based on the following criteria:

Independence: The Oversight Trust, formerly known as The Big Society Trust, is an independent holding company that currently owns 68.1% of Big Society Capital's shares, and was set up to ensure that the company is held 'on mission'. Big Society Capital is not owned or controlled by government, nor is it controlled by the banks that have invested in it.

Transparency: Big Society Capital is committed to producing details of the financial and social impact of its investments. It acts as a champion for sharing information and expertise across the social impact investment sector.

Self-sufficiency: Over time, the company needs to cover its operating costs and any losses from the return on its investments, as well as earn a financial return. This will demonstrate that the social impact investment model is sustainable.

Wholesaler: Big Society Capital acts as a wholesaler, deploying capital through fund managers and social banks, including organisations providing market infrastructure.

Big Society Capital has received equity capital from the Oversight Trust. The source of the capital from the Oversight Trust is dormant bank accounts managed by the Reclaim Fund Limited (RFL). The RFL passes surplus funds to the National Lottery Community Fund (NLCF), which then grants the English portion of the funds to the Oversight Trust for investment in enterprises domiciled in England. At its launch the equity capital base of Big Society Capital was set at £600m of which the Oversight Trust's portion was £400m. In 2018 additional capital of up to £25 million from dormant bank accounts was announced. During 2020, Big Society Capital received £45 million, the final portion of this equity capital that had not previously been drawn. Big Society Capital has also received £200 million from the shareholder banks (Barclays, HSBC, Lloyds Banking Group and NatWest Group) for investment across the UK, which represents their maximum commitment.

Business performance and key performance indicators

1. Social impact

Big Society Capital is committed to improving how it understands, manages and communicates the social impact it seeks to achieve.

The company has embedded impact in its investment decision-making and portfolio management. In this way, it ensures impact considerations run through everything it does. The approach to impact measurement and management continues to evolve.

In 2020, Big Society Capital joined the IFC Operating Principles for Impact Management, a set of common standards for disciplined impact management.

Big Society Capital published its latest Impact Report in December 2020. Further information on the organisation's approach to impact can be found on the website at www.bigsocietycapital.com/how-we-work/impact/.

Our understanding of impact

Big Society Capital's mandate is to develop the market and make impactful investments. It considers impact across these three dimensions:

a) Impact on people

This relates to the impact on the people who use the services and products created by social enterprises and charities, which have received investment from the fund managers or social banks that Big Society Capital invests in. The company uses the Impact Management Project impact dimensions to help define the change it wants to see in people's lives, using the following key questions:

- What outcomes occur, who experiences them, and how much?
- What is the enterprise's contribution beyond what would have happened anyway?
- What are the risks that impact doesn't occur as expected?

b) Impact on the system

This refers to the impact our investments and other market building activities have on the broader investment ecosystem, including investors, policy makers, fund managers and intermediaries, to ultimately provide more capital and support to enterprises and charities that improve people's lives in the UK.

c) Financial sustainability

All Big Society Capital's investments are made with the aim of developing financially sustainable structures and enterprises. This ensures the social impact continues to be generated, even after our investment has been repaid with a return. We aim for a positive financial return, as that has the greatest chance of attracting other investors, and ultimately achieving the greatest social impact.

Key impact considerations and approaches for each of Big Society Capital's investment focus areas are set out below.

Investment Focus: Early Action

Many social challenges, from obesity to unemployment and preventing mental ill health, are best tackled by acting early to address the root causes. But too frequently, the systems and interventions that are in place are not set up that way, and instead try to pick up the pieces later. By then it is often too late, with issues becoming deeper and more complex.

Big Society Capital works with partners on issues where early action can make a difference. With them, it seeks to understand people's needs first, in order to bring the requisite range of skills, experience and resources to the table. Only then can it create ideas and investment solutions to address root causes and prevent issues from occurring or escalating.

The company develops new approaches with the potential to replicate and scale, and does this mainly through outcomes contracts and social ventures.

£106.2 million
Total invested by Big Society Capital

£287.8 million
Total invested by Big Society Capital and other co-investors

27,707
Number of people supported by Bridges Fund Management and Big Issue Invest through outcomes contracts. *Example indicator**

Investment Focus: Homes

The housing market crisis is affecting people all over the UK. High-quality, affordable housing is in short supply, while there are rising levels of homelessness, people living in unsuitable accommodation, and people unable to access the support they need. Home ownership is increasingly unaffordable, leaving many people in the private rented market with insecure tenancies.

Big Society Capital looks for housing ideas that both improve lives and help address the root causes of housing inequality, by changing the system. This includes unlocking greater amounts of impact-led capital from institutional investors, and helping scale or replicate business models creating better outcomes. The company invests in funds buying or developing homes for vulnerable and disadvantaged people, such as housing for people with learning disabilities or who are homeless. It also invests in social property funds, to increase the supply and quality of affordable and social housing in the private rented sector.

£146.4 million
Total invested by Big Society Capital

£815.4 million
Total invested by Big Society Capital and other co-investors

5,418
Projected number of people to be housed.
*Example indicator**

Social impact key statistics

1,500+

Number of social enterprises and charities receiving money from Big Society Capital and other investors alongside since 2012

* *Exemplar impact figures based on investments made. Beyond these figures, Big Society Capital collects a range of quantitative and qualitative impact information across various outcome areas for all its investments.*

Investment Focus: Place
Where you were born should not affect your opportunity to live a happy and fulfilling life. But there are many areas in the UK that have experienced high levels of deprivation for many years, and even in relatively prosperous areas, there can be pockets that reveal huge levels of inequality.

Creating long-term social change is complex.

Big Society Capital collaborates with local networks and leaders from across sectors, to understand local needs, and identify how it can bring the right range of skills, experience and resources to help. Together they generate ideas for how to connect capital to the enterprises that help the communities to flourish.

The company designs place-based investments around the needs and ambitions of places. It also invests to support community business models that empower local people, address local issues and generate long-term income for the community.

£183.1 million
Total invested by Big Society Capital

£318.1 million
Total invested by Big Society Capital and other co-investors

£38 million
Amount generated in community benefit funds for local projects.

2. Market building activities

Big Society Capital's overall purpose is to help build an investment ecosystem that supports enterprises to improve people's lives.

We do this both through investing our own capital in ways that bring other investors alongside us and also through wider market building activities. These involve building awareness and understanding of social impact investment among investors of all kinds, as well as among social enterprises and charities that could use repayable finance. Our approach to market building is through education and partnership, with a long-term goal of building a movement of people and organisations who use social impact investment to improve lives.

Key market building activities during the year to support social enterprises included:

- Developing the Good Finance website and information service, to help social enterprises and charities navigate the social impact investment market. This is managed and part-funded by Big Society Capital, with half the funding coming from our sister organisation, Access – The Foundation for Social Investment. The service provides information and resources, alongside a comprehensive directory of social investors and their funds. By the end of 2020, the website had reached almost 200,000 unique users.
- Launching Investment Unpicked, an online training programme on social investment. The programme is designed for people who want to equip themselves with the knowledge and resources to inform and explain

75%

Percentage of organisations operating nationally or outside London

Further information on Big Society Capital's approach to Impact can be found here:
www.bigsocietycapital.com/how-we-work/impact/

social impact investment to others. It is particularly aimed at enabling charity and enterprise membership and infrastructure organisations to spread the word to their members, maximising our reach.

- Launching the Addressing Imbalance project, to improve access to social investment among diverse communities. The project partners with organisations, with the aim of making social impact investment more accessible to enterprises and founders from diverse backgrounds and serving more marginalised communities.

- Creating a resource and information hub for enterprises affected by Covid-19, with a comprehensive range of options to help organisations adapt their work, which has over 90,000 unique users.

- Campaigning to maintain tax relief for social investment. SITR is a valuable tool, enabling enterprises to access social investment, which had been under threat due to a sunset clause in the legislation. Big Society Capital's SaveSITR campaign was designed to preserve it, by sharing inspiring stories of organisations that have so far raised £15 million in investment using the relief, and in this year's Budget the government agreed to extend the tax relief for at least an initial period of two years.

- Engagement throughout the year, through speaking and holding events and meetings, helped reach hundreds of enterprises and support them on their journey to consider social investment.

Key market building activities during the year to support investors included developing products and building networks:

- The most significant activity was the launch of an investment trust product designed to allow ordinary investors access to private market impact investments for the first time. The company partnered with Schroders, a global asset and wealth manager, to launch the listed Schroder BSC Social Impact Trust plc, after a successful £75 million raise on the London Stock Exchange. As the portfolio manager, the company provides investors with high-impact investments that contribute to solutions to social challenges, alongside targeting long-term capital growth and income. As the first tradeable product in high-impact social investments, this is a significant development for the wider social impact investing market, and opens it up to a much wider range of potential investors.

- In addition, Big Society Capital has begun developing a product that would allow institutional investors' funds to grow the supply of capital into social and affordable housing. The company has been working in partnership with fund managers including Resonance, SASC and Bridges on fundraising additional capital, alongside the company's £30 million investment as part of the Everyone In project to tackle homelessness.

- Big Society Capital has already helped develop a number of networks to support investors on the journey towards investing capital into social impact, as well as financial returns. These include the now-established Social Impact Investors Group for trusts and foundations, and more recently the Responsible Investment Network – Universities, which has been successfully growing this year. We are now exploring the creation of a similar network, to support individual investors with significant wealth to deploy into social impact. These networks help deepen understanding of different investor needs, and facilitate greater collaboration between asset owners with shared financial and impact goals. Other networks the company is involved in include Pensions for Purpose, the British Private Equity & Venture Capital Association, and the Global Impact Investing Network.

- Through the year, continuing engagement with investor groups through the curation of content and speaking opportunities in the media and events, has helped raise awareness of social impact investing among key target investor groups.

3. Financial performance

The financial statements on pages 39 to 65 outline the company's financial performance for the period.

The company's investment portfolio is made up of a Social Impact Investment Portfolio and a Treasury Portfolio. The Social Impact Investment Portfolio comprises investments made to meet the company's objectives outlined above. The Treasury Portfolio represents capital held before it is drawn down into social impact investment.

As noted in prior years, the company expects to see some volatility within the performance of the Social Impact Investment Portfolio, given the long-term nature and risk of the company's investments, although it also expects there to be a general trend towards improved financial performance. Overall the Social Impact Investment Portfolio has shown resilience in the face of the Covid-19 pandemic and the diverse nature of the portfolio has provided some insulation from this. However it should also be noted that government support measures put in place to support the economy during the pandemic have cushioned the impact on the portfolio to date. These may result in a delaying of potential future downside, and the company will continue to closely monitor the effects as the economy normalises post-pandemic and the government support measures are unwound.

The company made a net profit in the year of £3.7 million (2019: £2.1 million loss). The net profit is driven by increased social impact investment returns, partially offset by increased administrative costs and lower treasury returns.

Social Impact Investment Portfolio

The Social Impact Investment Portfolio generated a return in 2020 of 2.5% (2019: negative 0.02%). Although there has been a positive return in 2020, upward and downward revenue volatility from valuation movements is likely to continue to be a feature of the company's portfolio performance in future years. This return equates to a net profit in the year of £7.2 million (2019: £0.1 million loss) on the Social Impact Investment Portfolio.

A key driver of the company's year-on-year financial performance, is the extent of realised and unrealised valuation gains and losses in the portfolio. The company's Social Impact Investment Portfolio is valued using accounting standards assessing the fair value of an asset at the measurement date, based on International Private Equity and Venture Capital Valuation guidelines. As is common practice with unquoted investments, a key metric of financial success is the actual cash realised on an investment relative to its cost.

The net profit comprises:

- Positive net valuation and income movements in the Social Impact Investment Portfolio of £9.2 million (2019: adverse £0.9 million). The positive movement in investment valuations reflects the nature and risk profile of the investments and is due to a small number of write-ups within the portfolio outweighing write-downs. The positive movements stem largely from a small number of key investments in the company's venture and equity portfolio. Businesses in this part of the portfolio have demonstrated the ability to pivot their strategy during the Covid-19 pandemic to continue to grow revenue and profits. Tech-based venture businesses have also benefited from the drive online, forced by three lockdowns. This upside has outstripped weaknesses in parts of the company's debt portfolio, where organisations with less robust business models, and those reliant on footfall, have been dependent on government support packages provided to mitigate the impact of the pandemic on the economy. The reduction in base rates during the year also impacted valuations and performance of the company's social bank investments.

- Income (comprising interest, fees and dividends) on the Social Impact Investment Portfolio of £4.5 million (2019: £4.8 million), a modest decrease during 2020 of £0.3 million, largely as a result of interest holidays granted in response to the Covid-19 pandemic, and reductions in the Bank of England base rates impacting variable interest rates within the loan book.

- Management fees paid to fund managers of £6.5 million (2019: £4.0 million). Management fees as a percentage of average total committed social impact investments have increased in 2020, 1.15% compared to 2019 (0.78%). This is due to a combination of growth and mix of the portfolio together with some one-off reclassifications.

- During 2020, the company transferred a portion of its Social Impact Investment Portfolio to SBSI, to create the seed portfolio for the new Schroder BSC Social Impact Trust plc (as described above). This was done at an agreed (independent) valuation, which was in line with the prevailing fair value of the assets at the date of transfer, and consequently the transaction resulted in minimal accounting gains/losses.

Further breakdown is available in Note 2.

Treasury Portfolio

The largest portion of the Treasury Portfolio is governed by a mandate that permits only investments that have been successfully screened in accordance with a socially responsible investment process, while aiming for capital preservation. The remainder of the Treasury Portfolio is invested in social bond, equity and multi-asset funds. Total revenue from the Treasury Portfolio in 2020 was £4.7 million, approximately 20% lower than 2019, which had seen very strong bond and equity market performance. The decrease reflects a lower treasury balance and lower, but still positive, mark-to-market increases on the social bond, equity and multi-asset funds.

Administrative and other expenses

Administrative costs increased by £0.5 million to £7.9 million in 2020, and treasury management fees reduced slightly to £0.4 million. This overall increase of 0.7% reflects continued investment to support the delivery of Big Society Capital's strategy, and enable investment in the resilience and effectiveness of Big Society Capital, as the Social Impact Investment Portfolio continues to grow. It includes costs incurred in relation to the launch of SBSI. External legal costs on new investments were also higher, due to a number of more complex transactions. Of the total administrative expenses, it is estimated that approximately half relate to the company's social impact investment market building activities, including executing the engagement plan and pipeline development and origination, for which the company receives no reimbursement.

The longer-term objective is for the company to generate positive financial returns and social impact on a continuing basis, as the Social Impact Investment Portfolio becomes more mature and exits from earlier investments are realised. The generation of financial returns, over the long term, will also enable the company's operational and market building costs to be more fully covered.

Liquidity

As its level of overall commitments has increased to close to its available capital, Big Society Capital has developed a long-term liquidity model to assess future liquidity requirements, taking into account future expected realisations and expected drawdown profiles. Big Society Capital's cumulative gross signed to date commitments are £735 million, however some of these have been fully redeemed or cancelled and therefore are no longer outstanding. In order to manage the relationship between treasury balances and undrawn commitments, and to help ensure an appropriate balance between these, the Board has approved a policy whereby treasury balances should be at least 80% of the level of undrawn commitments.

During the Covid-19 pandemic, the company has more regularly reviewed and updated its liquidity model, to confirm its ability to meet its financial commitments in a rapidly evolving economic environment. This involves the stress testing of assumptions and demonstration of the levers that it has available, to ensure it can continue in operation.

Ongoing reviews of liquidity allowed the company to respond to the Covid-19 crisis rapidly, permitting the commitment of cash to the programmes designed to support those most in need during the pandemic. Conscious decisions were made to reduce commitments in some areas, allowing for the redirection of cash to those programmes, with reference to the associated risks/returns.

4. Social impact investment activity and key performance indicators

Big Society Capital has a range of key performance indicators (KPIs) that it uses to evaluate both the social impact investment market and the organisation's performance. The figures below show the company's KPIs at 31 December 2020.

Capital available to social enterprises and charities

- Since launching, Big Society Capital has signed 105 (2019: 93) investments.
- The cumulative amount of investments signed by Big Society Capital and its co-investors is £2,264 million (2019: £1,978 million). When an investment is signed, the funds are then available for fund managers to invest in social enterprises and charities.
- Of this £735 million (2019: £600 million) is Big Society Capital's own funds and £1,529 million (2019: £1,377 million) is from its co-investors.

Social Impact Investment Portfolio

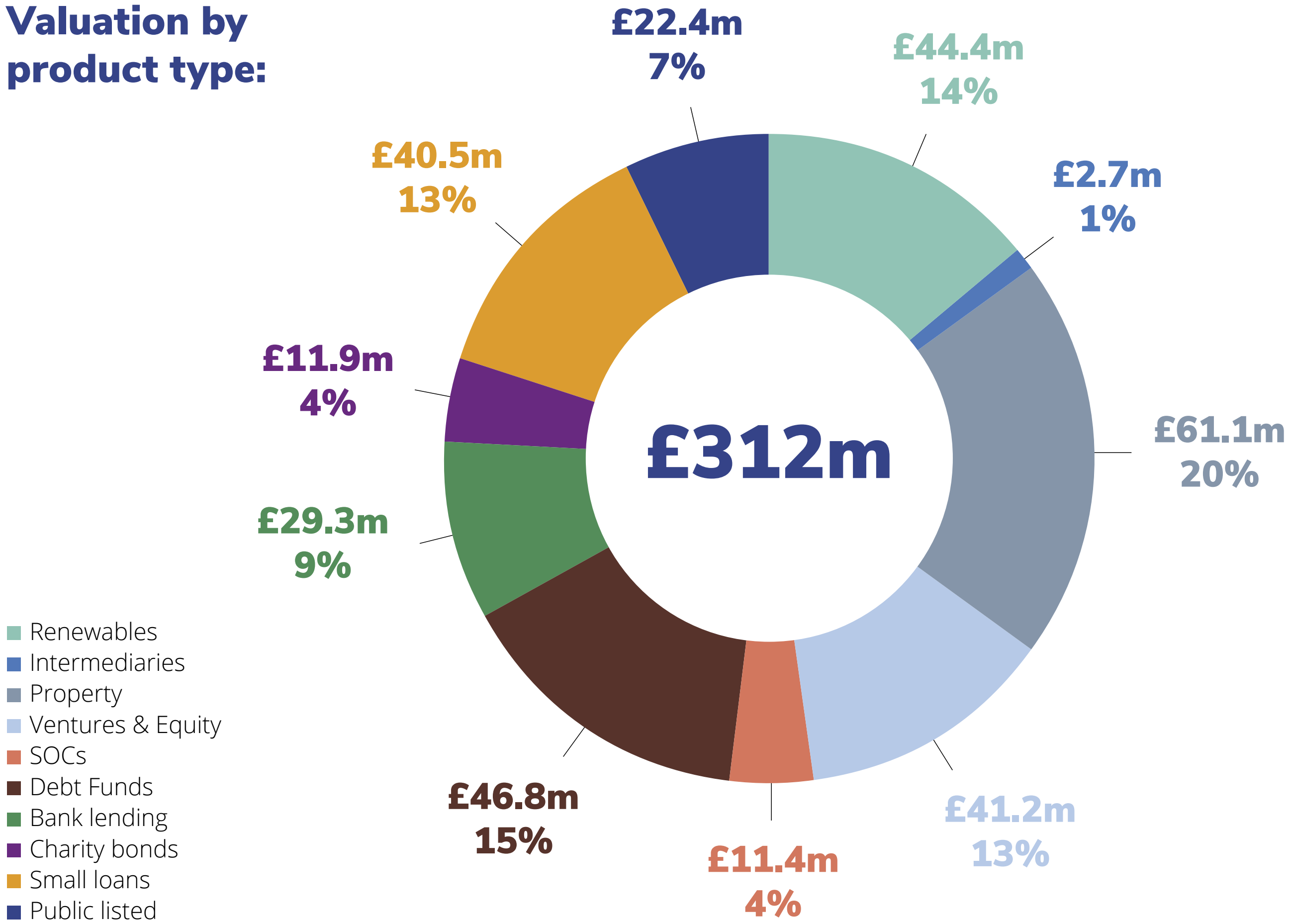
In 2020 Big Society Capital signed new investments totalling £115 million (including four follow-on investments) in the following entities (2019: £74 million):

Investment Name	Commitment	Theme	Purpose
Resilience and Recovery Loan Fund	£25m	Portfolio	Loan fund established by Big Society Capital to specifically support charities and social enterprises whose businesses have been disrupted by the pandemic, with guarantees from the CBILS scheme.
Schroder BSC Social Impact Trust plc	£22m	Portfolio	Listed investment company established in partnership between Big Society Capital and Schroders, to provide investors with the opportunity to invest in a diversified portfolio of private market social impact investments, with a focus on delivering a positive social impact in the UK.
Social and Sustainable Housing (SASH)	£11m	Homes	Follow-on investment into a fund providing better solutions to charities supporting vulnerable people through housing.
Women in Safe Homes Fund (WISH)	£10m	Homes	Housing fund for vulnerable people, to provide affordable, safe and secure homes across the UK for women and their children experiencing homelessness or who are at risk.
Eka Ventures	£8m	Early Action	Impact venture fund investing at Series A stage in sustainable consumer technology companies.
Arts and Culture Impact Fund	£6m	Place	Follow-on fund established to fulfil unmet demand and deliver social impact through the arts.
National Homelessness Property Fund II	£5m	Homes	Part of the Everyone In initiative, this fund aims to provide 'ordinary homes on ordinary streets' to formerly homeless people or those at risk of homelessness.
Resonance Supported Homes Fund	£5m	Homes	Property fund providing supported living to adults with learning disabilities, developed in partnership with United Response.
SASC Bridge Loan	£5m	Place	Follow-on investment for lending to community groups, enabling them to develop, own and govern a proportion of professionally developed ground-mounted solar farms.
SASH Side-car LP	£4m	Homes	Side fund to SASH, aiming to provide additional funding to support vulnerable and homeless individuals in Lincolnshire and Gloucestershire.
Ada Ventures	£3m	Early Action	Gender and minority-focused pre-seed venture fund.
Bethnal Green Ventures Approach Fund	£3m	Early Action	Tech For Good venture fund investing at accelerator, pre-seed and seed stage as they build a path to scale.
Connect Ventures III	£3m	Early Action	Follow-on investment into a fund run by an established seed-stage venture manager, with focus on backing purpose-led founders of tech-enabled ventures that build a better society.
Bridges Evergreen BSC Housing Fund	£2.5m	Homes	Part of the Everyone In initiative, a fund generating improved social outcomes for homeless people and those vulnerable to homelessness.
Good Food Fund	£1.1m	Early Action	Pilot fund in partnership with Guy's and St. Thomas' Charity, supporting healthy challenger food brands to scale in order to improve access for lower-income communities who disproportionately experience childhood obesity.
Resonance Health and Wellbeing (Access)	£1m	Portfolio	Follow-on investment to support VCSEs and SMEs in the health and social care sector.

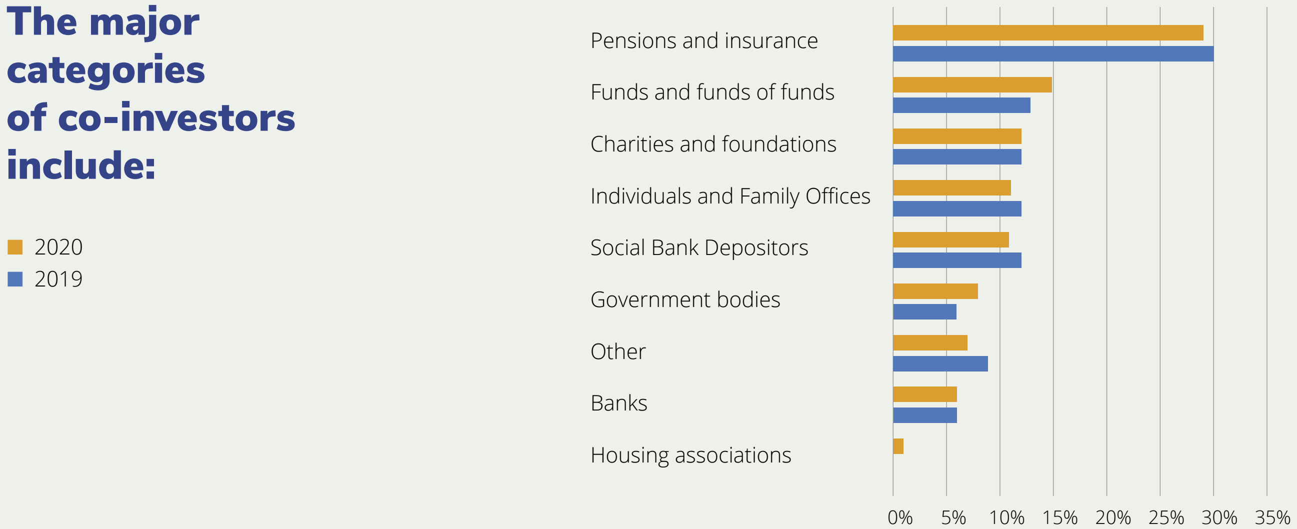
Social Impact Investment Portfolio (continued)

- At 31 December 2020 Big Society Capital's Social Impact Investment Portfolio comprised investments totalling £312 million, in the following activities (% of portfolio by valuation):

Valuation by product type:



The major categories of co-investors include:



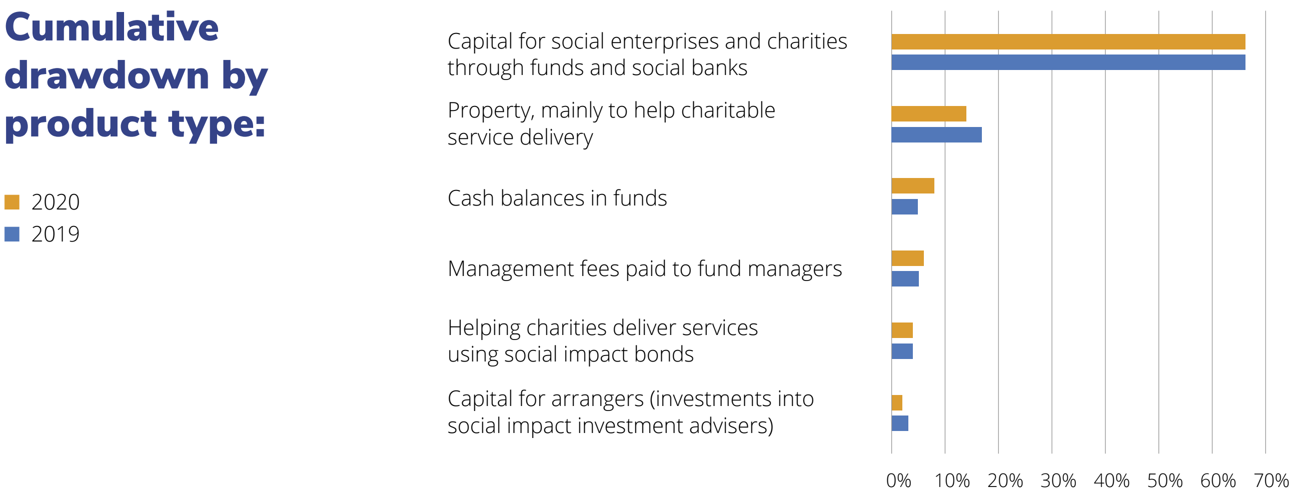
Money reaching social enterprises and charities:

- The cumulative amount drawn down from Big Society Capital and its co-investors is £1,456 million (2019: £1,201 million). Big Society Capital's expectation is that the average investment will typically take between one and six years to fully draw down.
- Of this £452 million (2019: £348 million) has come from Big Society Capital's own funds and £1,004 million (2019: £853 million) from its co-investors. In 2020, drawdowns by investee entities totalled £101 million (2019: £74 million).
- Drawdowns to date have been utilised as follows (based on Big Society Capital's drawdown):

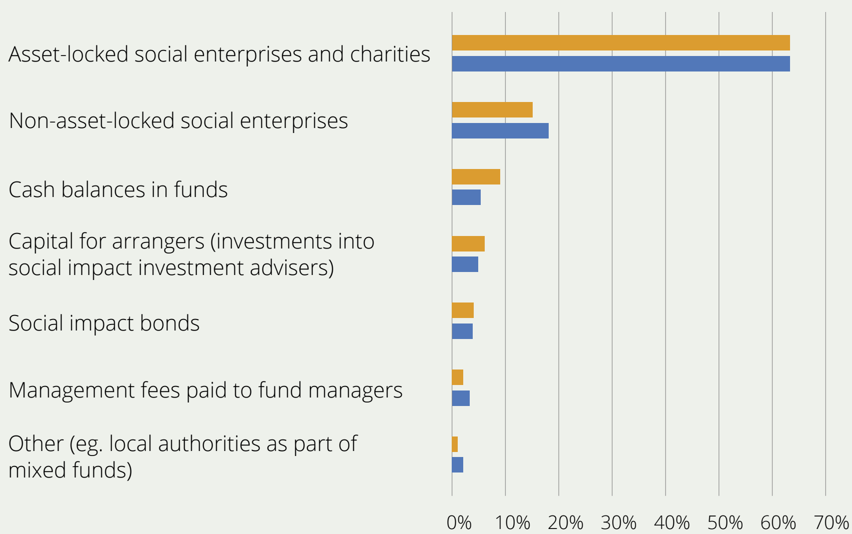
Subsequent events

During March 2021 the company received a £15 million grant. This grant will be directed towards specific housing-related investment programmes designed to support those most in need post-pandemic. Further details of the grant will be released in due course.

Cumulative drawdown by product type:



Cumulative drawdown by organisational form:



Big Society Capital as a responsible business

Big Society Capital seeks to maximise its positive impact, and demonstrate its values as a social organisation, through how it runs its operations, its staff policies, its approach as an investor and its wider engagement with the social sector.

Responsibility as an investor

At the core of Big Society Capital's investment philosophy, is the aim to achieve positive impact on people, create systemic change and deliver a sustainable financial return. To achieve these three aims, Big Society Capital believes that one component of its approach is to invest responsibly by considering environmental, social and governance (ESG) risks and impacts.

In 2020, Big Society Capital enhanced its responsible investment practices. Its Responsible Investment Policy brings together its approach to assess and manage ESG risks across its Social Impact Investment Portfolio, along with a set of Responsible Business Principles and an exclusion list of certain sectors. Further work is under way in 2021 to operationalise this policy.

In addition, in 2020 Big Society Capital became a signatory to the IFC Operating Principles for Impact Management. Part of demonstrating best practice in impact management includes considering negative impacts and ESG risks that Big Society Capital is committed to meeting.

Big Society Capital has been actively involved in 2020 with the development of the Sustainability Reporting Standard for Social Housing, which seeks to create a common best practice standard for identifying, managing and reporting on key ESG risks in the social housing space.

Big Society Capital integrates ESG in its investment process, from due diligence to portfolio management and intermediary support. It identifies and seeks to mitigate and manage the material ESG risks in its portfolio. It also requires its investees to follow core responsible investing practices, including following Big Society Capital's Responsible Business Principles and exclusion list. As an active investor, Big Society Capital has high levels of engagement with its investees, which provide the opportunity to support the continuous improvement of responsible and impactful practices.

Big Society Capital also ensures that its Treasury Portfolio is managed in a responsible way, with ESG factors considered as a core part of the Responsible Investment Policy. This is an area that it is increasingly engaging its fund managers on, to ensure they are delivering responsible investing practices.

Responsibility as an employer

Big Society Capital seeks to be a responsible employer. Key initiatives include the provision of ongoing mental health and wellbeing support to all its employees, utilising an employee assistance programme that offers free and confidential counselling services. It also employs an early intervention service, which provides coaching and advice in respect of stress or anxiety. In 2020 the company signed up to TogetherAll, an additional online platform to help empower employees to manage their physical and mental wellbeing.

Big Society Capital has provided comprehensive training to a number of its employees, to allow them to become mental health first aiders. A series of regular masterclasses was also provided throughout 2020 in respect of resilience and managing change, particularly pertinent areas, given the challenging environment.

In responding to the particular impact of Covid-19 on employees in 2020, Big Society Capital updated its flexible working policy and introduced a set of revised frameworks and principles, to give staff the freedom to work flexibly on a longer-term basis, including post-Covid-19.

Responsibility as an employer: Equality, Diversity and Inclusion

In 2020, Big Society Capital adopted three principles to guide its equality, diversity and inclusion work.

- Intention: making deliberate choices about what we are going to do and how we will know when we have made progress.
- Transparency: collecting and publishing data where possible.
- Building capacity with and for others rather than trying to do everything ourselves: we do not yet have all the answers and are still developing our plans.

It is hoped these three principles will help the organisation make progress when applied across four areas of work: internal standards; the investment strategy and processes; managing and reporting on the portfolio; and work as a market builder.

Furthermore, Big Society Capital has worked with Inclusive Boards and a working group from its own staff team to develop an Equality, Diversity and Inclusion Action Plan for 2021-25. This builds on the first plan, published in 2019, while also recognising there is still much for the organisation to do in this area to bring about a more equitable, diverse and inclusive sector. The report includes a comprehensive action plan for the business to enhance this area, to which it has fully committed. This will continue to be an area of focus in 2021.

The company has also joined a number of other social sector businesses in providing apprenticeship opportunities, as part of a programme aimed to promote diversity of thought and background across the sector.

Responsibility to the sector

Big Society Capital promotes the use of social enterprises both as part of its business supply chain and by individual employees. At the end of 2020, Big Society Capital had 35 (2019: 25) charities, not-for-profit and social enterprises in its supply chain, including providers of stationery, staff care packages, and team-building events such as online cookery lessons. There is also a dedicated internal 'Buy Social and Go Green' Slack channel, so that staff can share their recommendations, and the company actively supports Social Enterprise UK's annual #BuySocial campaign.

The company encourages staff to undertake trustee and other governance roles in social enterprises and charities, outside their work commitments and on a voluntary basis. Over a quarter of staff serve as trustees for a variety of charities and social enterprises. During 2020, 50 (2019: 43) charitable organisations were supported by the company's staff in this way.

In response to the challenging environment created by the Covid-19 pandemic and associated measures in 2020, Big Society Capital established a Resource Bank of pro bono and low bono experts, who could provide additional and specific support to intermediaries on an ad hoc basis.

The company also wrote to each of its social enterprise, charity or voluntary and community sector infrastructure partners, to offer help and support, responding in a practical way wherever possible to meet each organisation's members' unique needs. In association with Good Finance, a Covid-19 Resource Hub was also created (https://www.goodfinance.org.uk/resources/covid-19-resource-hub-charities-social-enterprises), which currently has over 70,000 users.

Responsibility to the environment

Big Society Capital is committed to considering material environmental impact and risks in its investment activity, through its targeting of systems change and impact on people. The newly developed Responsible Investment Policy actively promotes the protection of the environment and the combatting of climate change as underlying responsible principles.

Big Society Capital's role in developing and adopting the Sustainability Reporting Standard for Social Housing in 2020, will encourage more awareness and transparency among investors and providers of social housing on the environmental impact of real estate development, which is a major source of GHG emissions.

In 2020, Big Society Capital continued its engagement on the Just Transition agenda, including as an advisory group member for the Financing a Just Transition Alliance, hosted by the LSE Grantham Research Institute. This builds on its experience investing in community renewables: since 2012, Big Society Capital has supported fund managers to invest £124.8 million across 23 large community renewable projects, primarily solar generation. These projects have a forecast community benefit funding of £38 million over the duration of the investments, and have saved 382,000 tons of $CO2$ since inception. Latest available data shows that Big Society Capital supported projects account for more than half (56%) of the total installed capacity of the sector.

At a company level, Big Society Capital continually seeks to reduce its environmental impact as far as possible, for example using recycled paper and segregated recycling systems in its staff kitchen, as well as the ongoing emphasis across the organisation to 'Buy Social and Go Green'. In 2020, the Covid-19 lockdown measures significantly reduced the environmental impact in respect of staff travel, something which the new flexible working principles seek to preserve, as the country begins to transition out of the current lockdown environment.

Board decision-making and stakeholder considerations (s.172 report)

Big Society Capital exists to improve the lives of people in the UK, through investment with a sustainable return. It is vital to the success of this mission that the company can establish, balance and maintain connections with a diverse set of key stakeholders, with differing interests and expectations. It works with expert partners to identify need, collaborates and invests with fund managers and social banks, and liaises with the social enterprises and charities that are the end beneficiaries of funds.

Big Society Capital's goal is not only to ensure its own sustainability and reputation, but to balance this by acting as a catalyst to the development and growth of the wider social impact investment market. Our Board of directors is mindful of the need, therefore, to take a holistic and long-term approach to decision-making, and of its duty to promote the success of the company for the benefit of its members, while having regard to the following (s172(1)) requirements:

(a) the likely consequences of any decision in the long term;

(b) the interests of the company's employees;

(c) the need to foster the company's business relationships with suppliers, customers and others;

(d) the impact of the company's operations on the community and the environment;

(e) the desirability of the company maintaining a reputation for high standards of business conduct; and

(f) the need to act fairly as between members of the company.

(a) Long-term decisions

As part of the company's objective (Corporate Objective 4) to build and sustain a successful social investment market, the Board seeks to make decisions that will have long-term impact outside of the company itself, maturing and deepening the wider market. In support of this objective it is also necessary (Corporate Objective 5) to grow and preserve Big Society Capital's own reputation and effectiveness, and consider its risk profile.

A useful case study in 2020, to exemplify the Board of directors' understanding of the need to balance long-term impact with shorter-term effects on a diverse number of stakeholders when making decisions, was the establishment of SBSI, in partnership with Schroders. This involved Big Society Capital acting as portfolio manager, seeding SBSI's investment portfolio with assets from its own proprietary portfolio, and acting as a seed investor in SBSI itself. The directors carefully considered the risks and opportunities of this project, including financial, reputational and regulatory aspects, and the impact on the company's employees and risk profile.

The matter was discussed at length within the Audit, Risk and Compliance Committee from a risk perspective, as well as the Board, in respect of strategy. The Board (including via an appointed Sub-Committee), considered the potential reputational risk, and reviewed in depth the proposed media statements and prospectus content, as well as underlying assumptions in respect of returns, and the parameters of the company's responsibilities. The Board also considered resource risk and workload impacts on employees, changes to the company's risk profile, and the various expectations and requirements of regulators, investors and other parties to SBSI.

The Board also considered the ultimate aim of the product. As a listed company on the London Stock Exchange, SBSI is designed to invest in private market funds and opportunities that can deliver high impact, benefiting people in the UK. Private market funds in Limited Partnership structures are not accessible to retail investors, or even those who are advised by wealth and investment managers such as high-net-worth individuals, charities and endowments. The establishment of SBSI therefore represented an important milestone in democratising access to investing for high impact in private markets. In launching SBSI, Big Society Capital's intention was to have a best-in-class impact product with the widest possible investor access, and to make it easier for other similar products to follow into the market.

After careful consideration, the long-term value of SBSI as a social investment tool, and the potential for it to contribute towards the expansion of the wider social investment market, coupled with the company's ability to manage and mitigate associated risks, led to the Board's decision to enter into partnership with Schroders to create SBSI.

(b) Interest of the company's employees

Stakeholders

Big Society Capital places considerable emphasis on supporting and developing its employees, and is promoting a diverse and inclusive culture. The Board of directors is aware of the crucial part which Big Society Capital's employees have to play in achieving each of the company's objectives, and of the risk to the business posed by the underdevelopment, dissatisfaction or departure of employees.

How the Board engages

The Board has a committed and active Nominations and Remuneration Committee (N&RC), which spends a sizeable proportion of its time discussing people issues, HR strategic plans, remuneration policies and the results of staff surveys. The Head of HR is a standing attendee and reports to each meeting.

The Board also receives reports in respect of key risks through its Audit, Risk and Compliance Committee (ARCC). People risk has been a key topic throughout 2020, in particular as a result of the Covid-19 pandemic.

In autumn 2020, Big Society Capital established a Staff Council, which comprises a representative group of employees across the business and meets quarterly. The Council reviews pertinent Board papers ahead of submission, and provides input on key issues and projects, which is received by the Board through the report from the CEO in every Board meeting.

Key issues and actions taken

The Covid-19 public health crisis had a significant effect in 2020 on workers across the UK, raising challenges associated with education, home working, mental health and safety. The Board was acutely aware of the people impact created by this environment, and convened additional meetings, particularly during the initial lockdown period, to give careful consideration to this. The Board requested reports from Executive Management on actions being taken to address Covid-19 related people challenges, in particular with regard to the risk of staff 'burnout' in a working-from-home environment and given the company's other strategic priorities for the year. It also considered the operational challenges associated with re-opening the office in a safe manner where appropriate, and transition planning for the future.

As reported within the responsible business section of this report, the company commissioned an independent report in 2020 in respect of Equality, Diversity and Inclusion, and this will remain an area on which the Board is focused. The action plan that arose from this report, will be used by the N&RC to monitor progress.

The Board and N&RC also discussed and agreed a series of steps in 2020 in respect of gender equality throughout the organisation, having had extensive discussions, particularly regarding position and pay.

There remains work to be done in both of the above areas, and the Board anticipates continued reports and updates from Executive Management on progress, with staff surveys reflecting this as an area of importance for employees.

(c) Relationships with suppliers, customers and others

Stakeholders

Stakeholders for Big Society Capital include suppliers, shareholders, fund managers, social banks and other intermediaries, frontline organisations receiving investment, and, ultimately, the end-users of those social enterprises and charities. The company relies on good relationships with its partners to achieve its long-term aim to build and sustain the social impact investment market (Corporate Objective 4), and on establishing a strong reputation among all stakeholders, particularly shareholders and government bodies, to continue to sustain itself and preserve and strengthen its reputation (Corporate Objective 5). It also relies on experts and advisers to appropriately target its investment areas (Corporate Objectives 1 to 3), and on the frontline charities and social enterprises to deliver the intended impact for their respective beneficiaries, to allow it to achieve its overall purpose (to improve the lives of people in the UK).

How the Board engages

Intermediaries and Investors:
Fund Managers and Social Banks: The company's Valuation and Performance Committee, which comprises both executives and Board members, reviews Big Society Capital's Social Impact Investment Portfolio, from both an impact and a performance perspective, and the investment team holds intermediaries to account, working with them to find solutions in challenging areas. The Board receives an Activity Report in each meeting and holds a detailed Portfolio Review annually, which includes consideration of each of the three investment areas (Corporate Objectives 1 to 3). The Board's Audit, Risk and Compliance Committee also considers matters arising from the Valuation and Performance Committee, and reports any significant issues to the Board.

SBSI: In 2020 the company entered into a contract to provide Portfolio Management services to Schroder Unit Trusts Limited, which acts as Alternative Investment Fund Manager to SBSI. Big Society Capital provides quarterly reports to the SBSI Board, and has established an SBSI-specific Investment Committee, whose composition includes non-voting representatives from Schroders. Reports on the progress and performance of SBSI are provided to the Board and its Audit, Risk and Compliance Committee on at least a quarterly basis.

Frontline Organisations and their Beneficiaries:
Impact Reporting and Media: Every alternate meeting of the Valuation and Performance Committee focuses on performance, including impact performance, of the underlying investments. In 2020 Big Society Capital produced its Impact Report, which was brought to the Board ahead of publication, and the Board receives an additional annual report in respect of impact. A media round-up is produced and circulated to the Board on a monthly basis, providing an overview of media representation and feedback from the social sector. The Board has an open invitation to the annual 'Frontline Festival', which showcases specific beneficiaries of Big Society Capital funds.

Advisory Board: The Advisory Board for Big Society Capital comprises a selection of individuals from social sector organisations and social investment organisations, and meets quarterly with the CEO to gain feedback on pertinent points and projects. Minutes from these discussions are delivered to the Chair of the Board.

Sourcing of Supplies and Services: Wherever possible Big Society Capital has a policy of sourcing goods and services in a way that aligns with its overall objective, and continues to expand the number of social enterprises within its supply chain. Where this is not possible or appropriate, the company remains committed to seeking ethical, environmentally or socially sound services as far as possible. Please see our responsible business section above for further information.

Government Bodies:
Regulators: The Board is aware of its obligations to the FCA, and key FCA submissions are brought to the Board in a timely manner and considered carefully.

Other Policy Making Bodies: Big Society Capital works closely with various government and policy making bodies, and, where relevant, material matters in respect of the activities of these bodies and the company's interaction with them are brought before the Board via the CEO report.

Key issues and actions taken:

As outlined in the Introduction, a key landmark in this area in 2020 was the company's consideration and response to the Quadrennial Review commissioned by the Oversight Trust, which provided feedback from the majority of the above stakeholders including suppliers, customers, intermediaries, fund managers and front line social enterprises. The Board discussed the review in depth and, in addition to publication of its response on the Oversight Trust's website, committed to a schedule of actions, which includes creating and implementing better tools and explanations for end-users in respect of cost of capital, discussions with Board and shareholders on expectations on rates of return and working with Access – The Foundation for Social Investment to consult with managers and investors on flexible, patient products.

(d) Impact on community and environment

Stakeholders

The positive effect on community and environment underpins Big Society Capital's overall purpose, and its corporate objectives (in particular Corporate Objective 2). The company's portfolio of underlying investments number over 1,500 individual charities and social enterprises located across England, Wales and Scotland, covering both rural and urban areas.

How the Board engages

In addition to reporting as set out above, covering activities and impact across all Big Society Capital's investments, the Board is also updated as to any key operational changes, that may impact the business' environmental footprint.

In 2020, the Audit, Risk and Compliance Committee reviewed the business' key risk areas and particularly discussed climate-related aspects. As a result, the company is further developing its management and assessment of climate-related risk in 2021.

As far as possible the company seeks to minimise its environmental footprint, something that has been aided through the enhancement of remote working tools as part of its response to the Covid-19 public health crisis. Please see the responsible business section above for more details.

Key issues and actions taken

The Covid-19 public health crisis had wide-ranging consequences for many social enterprises and individuals in 2020, from an economic, health and wellbeing perspective. In response, the Board of directors reviewed and reprioritised the company's strategy, placing initiatives such as Everyone In (provision of long-term sustainable solutions for rough sleepers) and the Resilience and Recovery Loan Fund (enabling social lenders to provide emergency loans to social enterprises and charities experiencing disruption as a result of Covid-19) at the forefront of its activity, and working with intermediaries and social enterprises to extend or replan payment schedules for loans where necessary.

(e) High standards of business conduct

Big Society Capital is party to a Governance Agreement with its majority shareholders, requiring it to adhere to a comprehensive set of Principles in respect of Investment, Responsible Business, Appointments and Remuneration. The company seeks to uphold best practice standards in all areas, and to respond quickly and positively to stakeholders.

(f) Acting fairly between members

The Oversight Trust

The Chair of the Board liaises regularly with the Chair of the Oversight Trust, which is Big Society Capital's majority shareholder and is charged with an oversight role over the business. Under the terms of its Governance Agreement, Big Society Capital delivers quarterly reports to the Board of the Oversight Trust covering financial performance, activities and strategic plans, and refers to the Oversight Trust on certain decisions, such as changes to remuneration policy and appointments to the Board or CEO positions. The Chair of the Board and CEO of Big Society Capital attend one Board meeting of the Oversight Trust a year, to discuss matters relating to strategy and performance.

Shareholder Banks

Big Society Capital also regularly meets with its minority shareholders (the shareholder banks) to provide similar updates. The Board of Big Society Capital includes one Non-Executive Director nominated by the four shareholder banks (Stuart Foster), and all shareholders receive copies of Big Society Capital's Board papers.

Principal risks and uncertainties

Risk management framework

In order to achieve its mission, Big Society Capital is required to take risks from a strategic, financial return and social impact perspective. The company has established a risk framework and a related set of policies that provide oversight and accountability for the identification, assessment and management of risks across the organisation.

The Board, supported by the Audit, Risk and Compliance Committee (ARCC), is ultimately responsible for Big Society Capital's risk management framework, and for regular review of its adequacy and effectiveness, with operation of the framework delegated to the executive team. The framework is designed to support informed decision-making regarding the risks faced by the company, with the intention of managing acceptable risks within the agreed risk appetite, rather than eliminating such risks.

The key elements of Big Society Capital's risk management framework include:

- setting of annual and longer-term corporate objectives and quarterly reporting against agreed KPIs;
- a Risk Appetite Statement approved annually by the Board, together with key indices that are monitored quarterly;
- a quarterly review by the executive team of key risks faced by Big Society Capital;
- a robust investment decision-making process;
- half-yearly portfolio valuation and monitoring processes; and
- policies, procedures and authorisation levels against which the company operates.

The framework is based on a 'three lines of defence' model. The first line of defence is through the executive leadership team and line managers who are responsible for day-to-day identification, reporting and management of risks. The second line of defence is responsible for designing risk policies and monitoring risk performance, and providing objective challenge to the first line of defence – for Big Society Capital this is primarily delivered through ARCC and the executive leadership team. The third line of defence provides independent assurance of the overall systems of internal control and risk governance, and is achieved through a programme of external assurance in respect of compliance, key controls and processes.

Risk appetite

Big Society Capital's Risk Appetite Statement, reproduced below, outlines the level of risk that the Board is willing to accept to deliver its objectives, and provides the link between the overall business strategy and the risk management framework.

"Fulfilling Big Society Capital's mission requires us to take risks. In order to achieve the company's financial return and social impact objectives, Big Society Capital is willing to take and accept a high level of investment risk. It will also sometimes accept more risk for lower financial returns where the social impact or system change returns are justified. The company is also exposed to a high level of strategic-type risk through the selection of its principal focus areas, and the extent to which social impact objectives for these can be delivered. We manage and mitigate those risks through a broad network of investors and enterprises to build understanding, and through frameworks of rigorous social impact, financial and systems change assessment; appropriate structuring of transactions, portfolio allocation, concentration thresholds; and robust governance mechanisms.

The higher level of risk appetite in respect of our core investment activity, how we achieve social impact and our strategic focus, together with the policy risks to which a number of Big Society Capital investments are exposed, is balanced by a more cautious approach to risk in other areas. The Board looks at the appetite for risks across a number of areas, including investment strategy, liquidity, financial performance, social impact, operational, regulatory and other external factors. The company's risk appetite is set in the light of its principal risks and their impact on the ability of Big Society Capital to meet its strategic objectives."

The Board sets risk appetite for the most material risks, to help ensure Big Society Capital is well placed to meet its priorities and longer-term strategic goals. An assessment of the extent to which actual risk profile is within agreed risk appetite, is reported regularly to the Board and senior management using a broad set of key risk indicators – these help provide clarity on the scale and type of activities that can be undertaken in a manner that is easily conveyed.

Enhancements to Big Society Capital's Risk Framework in 2020

A number of enhancements to Big Society Capital's risk framework have been developed in 2020. These include:

- Formal consideration twice yearly by ARCC of longer-term emerging/horizon type risks that could affect future results and performance.
- Inclusion of risks related to climate change and other environmental issues as key short-term and longer-term risk areas, together with initial steps to develop a robust framework for consideration of these.
- Assessment of risks to Big Society Capital and its portfolio arising from the Covid-19 pandemic. These include risks relating to portfolio return, social impact achieved and staff wellbeing that have been identified as significant, with business continuity risks for the company itself not considered material, given actions taken to mitigate these risks.
- A number of steps taken to enhance the risk framework and monitoring in the light of Big Society Capital's role as Portfolio Manager of the Schroder BSC Social Impact Trust plc (SBSI), which launched in December 2020.
- Embedding of Risk Champions in each of Big Society Capital's three teams, and their regular input into the company's consideration of key risk areas, together with stronger dissemination of risk awareness and risk culture across these teams.
- Selection of a leading accountancy firm to provide outsourced Internal Audit services commencing in 2021.

Principal Risks

Big Society Capital's principal risks are considered under the following generic headings:

- Strategic Risks
- Performance/Investment Risks
- External Risks
- Operational/Preventable Risks

Further information on the nature of these risks and how they are managed by Big Society Capital is set out below.

Strategic Risks

Risk Appetite: High

The risks arising from the design and execution of Big Society Capital's business strategy and business model that may lead to financial loss, adverse social impact, failure to deliver its mission in a broader and evolving impact investment market. The company also faces risks that it acts in a way that falls short of stakeholder expectations and causes reputational damage. Big Society Capital seeks to mitigate these risks through a strong governance framework, including the setting of clear strategic goals and an active programme of engagement with key stakeholders.

Performance/Investment Risks

Risk Appetite: High

The risk of financial and social impact losses as a result of loss of value of social impact investments, failure of a counterparty to meet its obligations in accordance with agreed terms, desired social impact not achieved, and the risk of reduced mobilisation of co-investment. These risks are mitigated through the Investment Committee and Valuation Committee frameworks, which consider investments from financial, social impact and systems change perspectives and through concentration thresholds on fund managers and allocation judgements for product types.

As Big Society Capital's Social Impact Investment Portfolio grows, risks associated with future liquidity and achievement of investment exits become more significant. Such risks are mitigated through a quarterly review of long-term liquidity requirements, including consideration of stress-type scenarios, together with identification of possible liquidity mitigants and a policy approved by the Board that projected liquidity availability should exceed 80% of Big Society Capital's undrawn social impact investment commitments.

In addition, Big Society Capital runs programmes to support and develop fund managers, and seeks to develop wider institutional relationships, to bring increased capital flows closer to its strategic focus areas.

Further detail on the key financial risks facing Big Society Capital and the steps taken to manage them are outlined in Note 14 – Financial risk management and financial instruments below.

External Risks

Risk Appetite: High

The risk of government policy, regulatory changes, adverse macro-economic trends and other external factors such as Covid-19 and climate change impacting the performance of Big Society Capital's Social Impact Investment Portfolio and its pipeline. Such risks are often outside the company's direct control, with mitigation through the diversified nature of its portfolio and low correlation of elements of the portfolio with wider market performance factors.

Big Society Capital's activities and a number of areas of its Social Impact Investment Portfolio have been significantly affected by Covid-19. Following emergence of the pandemic, regular meetings of the Board were convened to oversee key risks and challenges, and to shape the company's response. In conjunction with Big Society Capital's fund manager partners, a number of Covid-19 response measures were implemented in respect of its Social Impact Investment Portfolio, including interest and repayment holidays. Also notwithstanding the challenging environment at the time, Big Society Capital and fund manager partners established the Resilience and Recovery Loan Fund to provide working capital finance to support charities and social enterprises facing shortfalls, due to expected income and activity having been delayed or disrupted.

During the Covid-19 outbreak, Big Society Capital's Business Continuity Plan has been invoked, and employees have successfully transitioned to a remote working basis during a period of significant activity, as the company developed its Covid-19 response measures. The necessity of remote working for a prolonged period brings with it potential risks to staff wellbeing. In this regard Big Society Capital has supported colleagues with increased use of various online communication and support resources, regular staff surveys, assistance with home office equipment, a programme of health and wellbeing support, and greater flexible working arrangements for all staff including those with caring responsibilities.

Operational/Preventable Risks

Risk Appetite: Low

In addition to heightened people-related risks as a result of Covid-19 as outlined above, Big Society Capital also faces risks that it does not create a working environment and culture to attract, develop, motivate and retain sufficient people resource to meet its objectives. To mitigate such risks the company has developed a comprehensive People Strategy to support attraction and retention of talent, with particular focus on staff development, onboarding and development of a supportive and enabling culture.

Big Society Capital is also exposed to a range of operational risks, including cyber risks, resulting from inadequate or failed internal processes and key systems. These types of risk are mitigated by having policies, processes, controls and procedures in place, together with suitably qualified and experienced staff in place to oversee these.

In order to provide a stronger level of external assurance in respect of the adequacy and effectiveness of key internal controls in 2021, a rolling programme of internal audit reviews will commence by a specialist external provider, with twice-yearly reporting of these reviews to ARCC.

This report was approved by the Board on 23 April 2021 and signed on its behalf.

Sir Harvey McGrath
Director

Corporate Governance

Big Society Capital Limited (Big Society Capital) is a social impact-led investor, which exists to improve the lives of people in the UK through investment with a sustainable return. Big Society Capital's object is to act as a social investment wholesaler and to promote the development of the social impact investment marketplace in the UK.

Working with expert partners, we seek to understand people's needs first. Then, using our knowledge and capital, we collaborate and invest with fund managers and social banks who also want to create a better, sustainable future.

They, and the social enterprises and charities they invest in, create the impact. Our role is to bring the most relevant experts from our network to the table, generating ideas and connecting capital to where it's most needed.

The company is authorised by the Financial Conduct Authority (Firm Number: 568940).

Big Society Capital

Big Society Capital obtains its capital from two streams: dormant bank accounts – in accordance with the Dormant Bank and Building Society Accounts Act 2008 (invested via the Oversight Trust – Assets for the Common Good (the Oversight Trust) which holds "A" shares), and four major UK high street banks: Barclays, HSBC, Lloyds Banking Group and NatWest Group (which hold "B" shares).

The Oversight Trust is the majority shareholder of Big Society Capital and provides oversight with the aim of ensuring that Big Society Capital remains true to its object of promoting and developing social investment and the social investment market in the United Kingdom.

The composition of the Big Society Capital Board reflects its purpose and includes directors with financial and/or social sector expertise. The Board comprises non-executive directors only at the year-end (including one who is nominated by the shareholder banks). When a permanent CEO is in place (Big Society Capital has been operating under an Interim CEO since May 2020), the CEO holds an executive Board position.

The Board meets at least five times a year, and there is an annual review of the effectiveness of the Board (including the Senior Independent Director providing feedback on the Chair's performance).

Big Society Capital has two Board Committees, each comprising non-executive directors, with external members providing specific expertise:

- The Nominations and Remuneration Committee (N&RC) – responsible for making recommendations concerning the appointment of directors, particularly for ensuring that there is an even balance on the Board between individuals with the appropriate depth of experience and expertise in the financial and social sectors; and Board diversity. It also has responsibility for setting levels of executive remuneration, and monitors activities related to the company's People Strategy.
- The Audit, Risk and Compliance Committee (ARCC) – responsible for overseeing management processes and other arrangements to ensure the appropriateness and effectiveness of systems and controls, including risk management.

Big Society Capital has three other operational committees:

- The Executive Committee is chaired by the CEO and is responsible for the day-to-day running of Big Society Capital.
- The Investment Committee comprises Board and Executive Committee members and is responsible for making investments and for the performance of Big Society Capital's portfolio of investments and reporting its activities to the Board. All investments over £10 million also require approval by the Board. It is chaired by the CEO of Big Society Capital or delegated to an alternative member of the Committee (normally the Deputy Chair of the Investment Committee). All Board members have a standing invitation to observe the Investment Committee. There is a separate Investment Committee established purely in respect of the portfolio management for SBSI.
- The Valuation and Performance Committee comprises Board and Executive Committee members. Its role is to agree the valuation of social investments made by the company (Valuation) and to review how Big Society Capital's portfolio of investments is performing against the original investment thesis from an overall, financial, impact on people and systems change perspective (Performance). This includes identifying key risks and issues within Big Society Capital's investment portfolio. It is chaired by the CFO of Big Society Capital (who is not a member of the Investment Committee). Members of ARCC and the company auditors are invited to observe meetings of the Valuation and Performance Committee.

The Oversight Trust – Assets for the Common Good

The Oversight Trust is the majority shareholder in Big Society Capital. The Oversight Trust's role, in relation to Big Society Capital, is to ensure that it remains true to its mission. Reflecting its strategic remit, the Oversight Trust Board comprises individuals with a balance of relevant skills and experience, and includes a nominee of the Government Department of Digital, Culture, Media & Sport (DCMS) and a nominee of the National Lottery Community Fund.

In November 2019, the Oversight Trust took on new oversight responsibilities for entities receiving funding (designated for expenditure in England) under the Dormant Bank and Building Society Accounts Act 2008. In addition to being the majority shareholder of Big Society Capital, the Oversight Trust also has responsibilities as the sole corporate member of: Access – The Foundation for Social Investment, Fair4All Finance and Youth Futures Foundation.

The Oversight Trust Board meets formally at least five times a year. Information about Big Society Capital, in respect of its financial standing, portfolio, strategy, board composition and performance, is provided to each regular quarterly meeting, and the Oversight Trust Board focuses one meeting a year specifically on developments at Big Society Capital. There is also an annual governance meeting with representatives of the Big Society Capital Board and management, to discuss governance issues. In addition to these formal procedures, Big Society Capital maintains an ongoing open and transparent relationship with the Oversight Trust, in particular between the respective Chairs. The Oversight Trust is not involved in making investment decisions or other operational issues.

In addition, the Oversight Trust commissions an independent Quadrennial Review on a rotational basis, to examine the effectiveness of each of its subsidiary companies in delivering against its object as set out in its governance documents. The first of these reviews was performed on Big Society Capital in 2020. For more detail please see: https://bigsocietycapital.com/latest/big-society-capital-quadrennial-review/.

To enable it to carry out its role, the Oversight Trust has a controlling interest in Big Society Capital. It has 80% of the voting rights at shareholders' meetings. For important issues, such as any change to the company's Articles concerning its objects or powers, a consensus vote by the Oversight Trust Board is required.

Shareholder Banks

Each of the shareholder banks (Barclays, HSBC, Lloyds Banking Group and NatWest Group) has subscribed £50 million of Big Society Capital's shares. Their individual shareholdings will always be less than 10% of the paid-in capital, currently 7.98%.

The banks can vote at shareholders' meetings. Their votes are in proportion to their shareholding, but each is capped at 5% of the overall voting rights. The banks together have the right to nominate one director to the Big Society Capital Board (currently Stuart Foster). In addition to information provided to them by that director, the banks receive all Big Society Capital Board papers and quarterly and half-yearly reports. In certain circumstances the banks have the right to request a meeting with the senior management of Big Society Capital, to discuss its performance, however the CFO also maintains regular informal contact with all shareholder banks' representatives.

Big Society Capital Advisory Board

The Big Society Capital CEO has established an Advisory Board to advise on aspects of Big Society Capital's strategy and activities. The Advisory Board is made up of individuals with specific interest and involvement in social impact investment, including prominent practitioners from the sector. The Advisory Board is a consultative committee with no decision-making powers, though its input is frequently used to inform projects or decisions, which the CEO may then take to the Big Society Capital Board. Copies of the minutes of Advisory Board meetings are provided to the Chair of the Big Society Capital Board.

Advisory Board members as at 31 December 2020

Carol Mack, Association of Charitable Foundations
Clara Barby, Oversight Trust
Danyal Sattar, Big Issue Invest
David Hutchison, Social Finance
Mark Simms, P3
Nick Temple, Social Investment Business
Richard Brass Berenberg, IVUK, Arts Impact Fund
Sara Llewellyn, Barrow Cadbury Trust
Whitni Thomas, Triodos

The Big Society Capital Staff Council

The Big Society Capital Staff Council, a representative group of staff from across the business, was established by the CEO in autumn 2020. It meets quarterly to consider important issues facing Big Society Capital, including reviewing and contributing views on some items before they go to the Board. Key points from these discussions are reported to the Big Society Capital Board at each meeting, through the CEO Report.

Remuneration Report

Remuneration Report

This report covers the 12 months ended 31 December 2020, and sets out the policy and disclosures in relation to the remuneration of the employees and directors of Big Society Capital.

The Nominations and Remuneration Committee (N&RC) is appointed by the Board of the company and makes recommendations on these issues to it.

N&RC is responsible for establishing a formal and transparent procedure for setting the remuneration policy for the executive staff of the company, and for determining the remuneration packages of executive staff. It also leads the process for setting non-executive directors' fees.

N&RC's responsibilities regarding remuneration are to:

- make recommendations to the Board of the company in relation to the remuneration of directors and senior executives;
- make recommendations to the Board of the company in relation to the identity and terms of appointment of independent consultants for the conduct of an independent salary survey, at least once every five years;
- establish the benchmark for remuneration packages for persons engaged in similar positions in the public, not-for-profit or charity sectors;
- review the ongoing appropriateness and relevance of the company remuneration, pensions and employment benefits policies;
- determine the total individual remuneration package of senior executives in consultation with the Chair and/or CEO of the company, as appropriate;
- review on an annual basis the remuneration of non-executive directors;
- ensure that contractual terms on termination, and any payments made, are fair to the individual and the company;
- oversee any major changes in the nature of employee benefits provided by the company;
- approve the Annual Remuneration Code Assessment; and
- agree the policy for authorising claims for expenses from the directors.

Principles for executive remuneration

- Executive directors and the senior executive team will be paid a comparable remuneration package to persons engaged in similar positions in the public or not-for-profit sectors, as appropriate.
- The senior executive team will not be paid any bonuses.

Principles for non-executive remuneration

- Non-executive directors will be offered an equivalent sum paid by other comparable public bodies and not-for-profit organisations, such as housing associations.
- In 2020, the amounts were £8,190 (2019: £8,055) per annum for the service of acting as a non-executive director, £3,490 (2019: £3,430) per annum for chairing a Board Committee and £1,745 (2019: £1,715) per annum for acting as a non-chair member of a Committee. In addition, £5,365 (2019: £5,275) per annum is offered to a non-executive director who acts as a member of the Investment Committee. These amounts are reviewed by Big Society Capital annually in the light of inflation and non-executive remuneration levels at comparable organisations.
- Total non-executive directors' fees in 2020 were £93,774 (2019: £77,575).

Higher-paid employees

The total number of employees, including directors, with annual remuneration of £60,000 or more and employed as at the period end were as follows:

	2020 Number	2019 Number
£60,000 – £69,999	13	9
£70,000 – £79,999	10	9
£80,000 – £89,999	3	1
£90,000 – £99,999	-	1
£100,000 – £109,999	1	2
£110,000 – £119,999	3	3
£150,000 – £159,999	1	1

30 (2019: 24) of these employees participate in the company pension scheme. Employees make a contribution of up to 8% of salary to the pension scheme. The company matches the employee contributions and pays an additional 3% of salary.

The total number of employees at 31 December 2020 was 72 and at 31 December 2019 was 71.

The ratio of highest salary to lowest salary is 8.33 (2019: 6.68). The increase in this ratio is attributable to the introduction of apprenticeship places during the year, as described in the Strategic Report on page 5 above. A benchmarking exercise was carried out in setting these salary levels, which included adherence to the London Living Wage.

Gender pay data

Big Society Capital published its latest gender pay gap information on its website in summer 2020: https://bigsocietycapital.com/about-us/careers/gender-pay-gap-2019/. This showed a gender pay gap of 21% compared to 28% the previous year. During the year Big Society Capital has actively pursued a number of initiatives including an independent diversity and inclusion review, development of flexible working, and ensuring all vacancies are able to reach diverse networks to help further reduce the gender pay gap.

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2020.

Directors

The following persons served as directors during the year:
- Sir Harvey McGrath (Chair)
- Lesley-Anne Alexander CBE
- Paola Bergamaschi Broyd (resigned from the Board on 7 May 2020)
- Kieron Boyle
- Chris Wright
- Fiona Ellis
- Stuart Foster
- Alan Giddins
- David Hunter
- Christina McComb OBE
- Cliff Prior CBE (resigned from the Board on 31 May 2020)
- Anne Wade

Dividends

The directors do not recommend the payment of a dividend for the year (2019: £nil).

Directors' indemnity

The company arranges directors' and officers' liability insurance to cover certain liabilities and defence costs.

Greenhouse Gas Emissions

The company considers itself to be a low energy user under the Streamlined Energy and Carbon Reporting regulations and therefore is not required to disclose energy and carbon information. Accordingly, no such information has been disclosed.

Pillar III disclosures

The company makes disclosures on its website – www.bigsocietycapital.com – setting out the company's capital resources, risk exposures and risk management processes.

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

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

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the Board on 23 April 2021 and signed on its behalf.

Sir Harvey McGrath
Director

Independent Auditor's Report to the members of Big Society Capital Limited

Opinion

We have audited the financial statements of Big Society Capital Limited ("the company") for the year ended 31 December 2020, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:
- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of directors and the Audit, Risk and Compliance Committee as to the company's policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading the company's and the Audit, Risk and Compliance Committee meeting minutes;
- considering remuneration incentive schemes and performance targets; and
- using analytical procedures to identify any usual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because revenue is generated from few sources and transactions are easily verifiable to external sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals posted to investments and cash.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the company's regulatory correspondence, and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the company's regulatory permissions. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information, which comprises the Strategic Report, Corporate Governance Report, Remuneration Report and Directors' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Strategic Report and the Directors' Report is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 32, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the 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 company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Richard De La Rue
(Senior Statutory Auditor)
for and on behalf of KPMG LLP,
Statutory Auditor

Chartered Accountants
15 Canada Square
London E14 5GL

23 April 2021

Financial Reports

Statement of Comprehensive Income

For the year ended 31 December 2020

	Notes	2020 £ 000	2019 £ 000
Income		7,508	8,141
Investment gains/(losses)		4,341	(2,470)
Total Revenue	2	**11,849**	**5,671**
Other income	3	115	144
Administrative and other expenses	4	(8,339)	(7,947)
Operating profit/(loss)		**3,625**	**(2,132)**
Profit/(loss) on ordinary activities before taxation		**3,625**	**(2,132)**
Tax credit on gain/(loss) on ordinary activities	6	62	6
Profit/(loss) for the financial year		**3,687**	**(2,126)**
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year		**3,687**	**(2,126)**

The results above relate to continuing operations.
The notes on pages 44-64 form part of these Financial Statements.

Statement of Financial Position

For the year ended 31 December 2020

	Notes	2020 £ 000	2019 £ 000
Fixed assets			
Intangible assets	7	17	25
Tangible assets	8	95	111
Investments	9	311,645	270,443
		311,757	**270,579**
Current assets			
Debtors	10	1,477	684
Investments	11	226,636	269,166
Cash at bank and in hand		65,852	16,274
		293,965	**286,124**
Creditors: amounts falling due within one year	12	(1,225)	(889)
Net current assets		**292,740**	**285,235**
Total assets less current liabilities		604,497	555,814
Provisions for liabilities			
Deferred taxation	13	(19)	(23)
		604,478	**555,791**
Capital and reserves			
Called-up share capital	16	626,345	581,345
Profit and loss account	17	(21,867)	(25,554)
Total equity		**604,478**	**555,791**

The notes on pages 44-64 form part of these Financial Statements.
Approved by the Board on 23 April 2021 and signed on its behalf

Sir Harvey McGrath
Director

Company registration number: 07599565

Statement of Changes in Equity

For the year ended 31 December 2020

	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2019	581,345	–	–	(23,428)	**557,917**
Loss for the financial year	–	–	–	(2,126)	**(2,126)**
At 31 December 2019	**581,345**	**–**	**–**	**(25,554)**	**555,791**
At 1 January 2020	581,345	–	–	(25,554)	**555,791**
Gain for the financial year	–	–	–	3,687	**3,687**
Shares issued	45,000	–	–	–	**45,000**
At 31 December 2020	**626,345**	**–**	**–**	**(21,867)**	**604,478**

The notes on pages 44-64 form part of these Financial Statements.

Statement of Cash Flows

For the year ended 31 December 2020

	Notes	2020 £ 000	2019 £ 000
Operating activities			
Operating profit/(loss)		3,625	(2,132)
Adjustments for:			
Depreciation and amortisation		91	127
		3,716	**(2,005)**
(Increase)/decrease in debtors		(160)	(155)
Increase/(decrease) in creditors		336	122
		3,892	**(2,038)**
Returns on fixed asset investments		(3,363)	6,596
Returns on current asset investments		(3,961)	(4,423)
Foreign exchange (losses)		(164)	(359)
Corporation tax received		58	5
Cash used in operating activities		**(3,538)**	**(219)**
Investing activities and interest			
Payments to acquire tangible and intangible fixed assets		(67)	(85)
Payments to acquire fixed asset investments		(100,805)	(74,308)
Repayment of loans		34,323	13,958
Proceeds from sale of fixed asset investments		28,700	3,454
Proceeds from sale of current asset investments		55,986	39,871
Cash generated/(used) in investing activities		**18,137**	**(17,110)**
Financing activities			
Proceeds from the issue of shares		45,000	–
Cash generated by financing activities		**45,000**	**–**
Net cash generated/(used)			
Cash used in operating activities		(3,538)	(219)
Cash generated/(used) in investing activities		18,137	(17,110)
Cash generated by financing activities		45,000	–
Net cash generated/(used)		**59,599**	**(17,329)**
Cash and cash equivalents at 1 January		27,850	45,179
Cash and cash equivalents at 31 December	18	**87,449**	**27,850**
Cash and cash equivalents comprise:			
Cash at bank		65,852	16,274
Current asset investments			
(Maturity less than 3 months from the date of acquisition)		21,597	11,576
	18	**87,449**	**27,850**

The notes on pages 44-64 form part of these Financial Statements.

Notes

Notes to the Financial Statements

For the year ended 31 December 2020

1. Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements have been prepared under the historical cost convention, except for certain financial instruments which are stated at their fair value, as detailed in the 'Basic financial instruments' accounting policy below.

The financial statements are presented in thousands of pounds sterling, which is the company's functional currency.

Use of judgements and estimates

The preparation of the financial statements in conformity with applicable UK GAAP requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

The most significant area of judgement is the determination of fair values for investments. This is discussed below, in the accounting policy 'Basic financial instruments – iii) Fair value measurement'.

Going concern

The financial statements have been prepared on the going concern basis. The company has incurred cumulative losses since inception of £21.9m, turning a profit this year of £3.7m. The company had cash and current asset investments of £292.5m at the year end, having been capitalised with £626.3m of equity investment since inception. The directors have reviewed the company's future liquidity projections in the light of the impact of the Covid-19 pandemic and potential implications of this on future company operations. While there are significant wider market uncertainties which may impact portfolio investments, the directors do not believe these will significantly impact the overall liquidity of the company over the next 12 months and that the company has sufficient existing treasury balances to enable it to meet its investment and other obligations and to continue in operational existence for at least 12 months from the date of approval of the financial statements. Further information on this is set out in the Strategic Report from page 5. For this reason, the directors have adopted the going concern basis in preparing these financial statements.

Revenue

Revenue comprises income and gains/losses on the Social Impact Investment and Treasury Portfolios. Revenue is recognised on an accruals basis throughout the year when it is probable that the economic benefits will flow to the company.

Foreign currency

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are translated to the functional currency (pound sterling) at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income.

Subsidiaries and Associates held as part of an investment portfolio

The company has investments that may be regarded as subsidiary or associated undertakings, which might require these to be consolidated using the equity method of accounting. As these investments are held as part of an investment portfolio, they have not been consolidated in the accounts of the company, and are measured at fair value with changes in fair value recognised in profit or loss in accordance with FRS 102 14.4B.

Government grants

Government grants are included within deferred income in the Statement of Financial Position and credited to the Statement of Comprehensive Income over the expected useful lives of the assets to which they relate or in the period in which the related costs are incurred.

Interest
Interest income is recognised either using the effective interest method or on an accruals basis, depending upon whether the financial asset is measured at 'amortised cost' or whether it has been designated upon initial recognition as at 'fair value through profit or loss'.

The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial instrument to the carrying amount of the financial instrument. When calculating the effective interest rate, the company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

Net gains or losses from financial assets designated as at fair value through profit or loss
Net gains or losses from financial assets designated as at fair value through profit or loss includes all realised and unrealised fair value changes, but excludes interest income.

Basic financial instruments
i.) Recognition and initial measurement
Financial assets designated as at fair value through profit or loss are recognised initially at fair value, with transaction costs recognised in profit or loss. Financial assets or financial liabilities not at fair value through profit or loss are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Investments within the Social Impact Investment Portfolio, in which the company has controlling or significant influence, are held as part of an investment portfolio, rather than qualifying as subsidiaries or associates. The company recognises its investments within the Statement of Financial Position, on the date on which investments are signed and drawn down. Additionally the company discloses commitments at two distinct stages: commitments contracted but not drawn down, and in-principle commitments. Details are set out in Note 20 – Capital commitments.

ii.) Classification
The company classifies its basic financial instruments into the following categories:

Financial assets at fair value through profit or loss
- Designated as at fair value through profit or loss – debt, equity, fund and social impact bond investments and derivative financial instruments.

Financial assets at amortised cost
- Debt investments meeting the conditions set out in FRS 102.11, cash at bank and in hand, cash deposits (included in investments held as current assets), and other debtors.

Financial liabilities at amortised cost
- Creditors.

Financial liabilities at fair value through profit or loss
- Derivative financial instruments.

Note 14 – Financial risk management and financial instruments, provides a reconciliation of line items in the Statement of Financial Position to the categories of financial instruments.

iii.) Fair value measurement
As described in Note 15 – Valuation of financial instruments, the company uses a three-level hierarchy for fair value measurement disclosure. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

In determining a fair value using Level 3 valuation techniques, the company applies the principles included in the International Private Equity and Venture Capital Valuation Guidelines (2018 edition):

Where an investment has been made recently, or where there has been subsequent, significant new investment into the company, a more accurate valuation is not available and there is no evidence to suggest that the unadjusted Price of Recent Investment is no longer relevant, the company may apply the Price of Recent Investment, for a limited period following the date of the relevant transaction. Where it is felt that there has been a change to the milestones or benchmark then the company will use the Price of Recent Investment adjusted to reflect milestone/benchmark analysis.

Where appropriate and reasonable earnings or revenue multiples are available for comparable businesses, the company will apply the Multiples valuation technique to derive a value for the investment.

If industry benchmarks can be applied to the investment to derive a fair value, these will be applied.

If future cash flows can be reasonably estimated, and it is felt that the risks, due to the high level of subjectivity, involved in applying the Discounted Cash Flow method do not render the method insufficiently reliable, this will be applied.

Where a regular Net Asset Valuation is available for the investment, the company will assess this for reasonableness and consider whether the investment can be valued on the basis of the underlying fair value of its assets, rather than its earnings. If this is considered appropriate the company will apply the Adjusted Net Asset Valuation method.

The company may decide to use a combination of the mentioned methods, or other methods that are considered more appropriate to derive the fair value of its investments.

iv.) Impairment
A financial asset not classified at fair value through profit or loss is assessed at each reporting date, to determine whether there is objective evidence of impairment. A financial asset or a group of financial assets is impaired if there is objective evidence of impairment as a result

of one or more events that occurred after the initial recognition of the asset(s), and that loss event(s) had an impact on the estimated future cash flows of that asset(s) that can be estimated reliably.

v.) Derivative financial instruments
The company holds derivative financial instruments to manage its exchange risk exposure from its USD and EUR denominated financial assets. Derivatives are recognised initially at fair value, with any attributable transaction costs recognised in the profit and loss account as incurred. After initial recognition derivatives are measured at fair value and changes recognised in the profit and loss account as incurred, the fair value reflects the estimated amount the company would receive or pay in an arm's length transaction. This amount is determined based on observable exchange rates.

vi.) Offsetting
Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under UK GAAP e.g. for gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss.

Investments held as current assets

The company classifies investments (cash deposits or other debt securities) that cannot be readily realised within 24 hours, but can be realised within 12 months as Investments held as current assets.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses.

Amortisation is provided on all intangible assets to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software development	Over 3 years

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold land and buildings	Over the lease term
Fixtures, fittings and equipment	Over 3 years

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

At Budget 2020, the government announced that the Corporation Tax main rate (for all profits except ring-fenced profits) for the years starting 1 April 2020 and 2021 would remain at 19%.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. Total revenue

	2020 £ 000	2019 £ 000
Total revenue	11,849	5,671
Represented by:		
Income		
Social Impact investment portfolio	4,511	4,784
Treasury portfolio	2,997	3,357
Total income	**7,508**	**8,141**
Investment gains/(losses)		
Social impact investment portfolio	2,659	(4,822)
Treasury portfolio	1,682	2,352
Total investment gains/(losses)	**4,341**	**(2,470)**

2a. Total Revenue - Social Impact Investment Portfolio

	2020 £ 000	2019 £ 000
Total revenue	7,170	(38)
Represented by:		
Income		
Interest income on financial assets designated as fair value	3,917	3,784
Interest income on financial assets carried at amortised cost	427	750
Dividend income from financial assets designated as fair value	85	139
Fees received	82	111
	4,511	**4,784**
Investment gains/(losses)		
Net gains/(losses) from financial assets designated as fair value		
Realised	6,175	4,104
Unrealised	(3,499)	(8,909)
Net gains/(losses) from financial assets carried at amortised cost		
Realised	-	(279)
Unrealised	(74)	315
Net foreign exchange gains/(losses) from financial assets designated as fair value		
Unrealised	57	(53)
	2,659	**(4,822)**
Further analysis of Investment gains/(losses)		
Net gains/(losses) from financial assets designated as fair value		
Management fees and expenses paid to fund manager	(6,494)	(4,000)
Valuation changes and income relating to underlying investments	9,170	(805)
Net foreign exchange losses from financial assets	57	(53)
Net gains/(losses) from financial assets carried at amortised cost		
Valuation changes and income relating to underlying investments	(74)	36
	2,659	**(4,822)**

2b. Total Revenue - Treasury Portfolio

	2020 £ 000	2019 £ 000
Total Revenue	4,679	5,709
Represented by:		
Income		
Interest income on financial assets designated as amortised cost	2,997	3,357
	2,997	**3,357**
Investment gains/(losses)		
Net gains/(losses) from financial assets designated as fair value		
Realised	546	1,677
Unrealised	972	-
Net gains/(losses) from financial assets carried at amortised cost		
Realised	57	263
Net gains/(losses) on currency forward derivatives		
Realised	(1,852)	2,776
Unrealised	633	38
Net foreign exchange gains/(losses) from financial assets carried at amortised cost		
Realised	762	(258)
Unrealised	564	(2,144)
	1,682	**2,352**

Total revenue increased significantly in 2020 primarily as result of increased income and write ups within the Social Impact Investment Portfolio. As described in the Strategic Report on pages 5 to 26 the income and valuation movements on the Social Impact Investment Portfolio reflect the continued growth of the portfolio and the current stage of the company's social impact investments, as these move to a more mature, fully invested position, as well as the expected volatility due to the long-term nature of the investments and the use of fair value accounting to value them. As described in Note 15 – Valuation of financial instruments, one of the valuation techniques applied is to value the investments on the basis of their Net Asset Valuation. This results in the recognition of set-up costs, management fees and other expenses paid to fund managers, as they are incurred by the investee.

The management fees paid to fund managers allow them to employ high-quality teams to deliver the social and financial returns required. In this way, the fees represent the cost of delivering the company's investment objectives and of building the capacity of the social impact investment sector to deliver returns for all social investors. Management fees as a percentage of total average committed social impact investments were 1.15% in 2020 (2019: 0.78%).

During 2020, the company made investments in foreign currency denominated assets. As outlined in Note 14 – Financial risk management and financial instruments, the foreign exchange risk is managed with currency forward derivative contracts. Any gains/losses on the revaluation of foreign currency denominated assets offset the corresponding gains/losses on the currency forward derivatives to the extent that the derivatives match the underlying currency exposure. During 2020 the exchange gain on foreign currency denominated debt securities was £1.3 million (2019: loss of £2.4 million), which was offset by a loss on the currency forward derivatives in 2020 of £1.2 million (2019: gain of £2.8 million), resulting in a net foreign exchange gain of £107,000 (2019: £412,000).

3. Other income

	2020 £ 000	2019 £ 000
Government grants received	1	66
Other income	114	78
	115	**144**

During 2020, a grant was received from DCMS relating to SITR III, against which £1,000 was spent during the year.

4. Administrative and other expenses

	2020 £ 000	2019 £ 000
Wages and salaries	4,117	3,630
Non-executive directors' fees	94	78
Social security costs	498	427
Pension costs	374	324
Staff-related costs, including recruitment, training and travel	536	686
Premises	692	698
General and administrative expenses	468	451
Consultancy	169	157
Marketing, including events, sponsorship and website	213	322
Amounts receivable by the company's auditor (see below)	116	114
Other professional costs	279	205
Depreciation of owned fixed assets	71	107
Amortisation of intangible assets	20	20
Investment related expenses, including legal fees	255	190
Total administrative expenses	**7,902**	**7,409**
Treasury management fees	437	538
Total other expenses	**437**	**538**
Total administrative and other expenses	**8,339**	**7,947**
Amounts receivable by the company's auditor and its associates in respect of:		
Auditors' remuneration for audit services	95	90
Other assurance services	12	10
Taxation compliance services	9	14
	116	**114**

Average number of employees during the year	2020 Number	2019 Number
Investment	31	28
Senior management	3	3
Communications	4	4
Operations	17	13
Social and finance sector engagement	8	8
On Purpose and 2027 interns	3	3
	66	**59**

A breakdown of the total number of employees, including directors, with annual remuneration of £60,000 or more and employed as at the period end, is disclosed in the Remuneration Report on page 30.

5. Directors' and key management personnel emoluments

	2020 £ 000	2019 £ 000
Directors' emoluments		
Emoluments	166	233
Company contributions to money purchase pension schemes	7	16
	173	**249**
Highest paid director*		
Emoluments	72	155
Company contributions to money purchase pension schemes	7	16
	79	**171**
Number of directors to whom retirement benefits accrued		
Money purchase schemes	1	1
Key management personnel emoluments**		
Emoluments	745	717
Company contributions to money purchase pension schemes	77	73
	822	**790**

* As described on page 28, the former CEO was an executive director of the company and was in post until May 2020; the current Interim CEO is not a director of the company.
**Key management personnel includes one executive director as detailed above.

6. Taxation

	2020 £ 000	2019 £ 000
Analysis of charge in period		
Current tax:		
Adjustments in respect of previous periods	(58)	(5)
	(58)	**(5)**
Deferred tax:		
Origination and reversal of timing differences	(4)	(1)
	(4)	**(1)**
Tax credit on profit/(loss) on ordinary activities	**(62)**	**(6)**

Factors affecting tax charge for period
The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2020 £ 000	2019 £ 000
Profit/(Loss) on ordinary activities before tax	3,625	(2,132)
Standard rate of corporation tax in the UK	19.0%	19.0%
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax	689	(405)
Effects of:		
Income not taxable and/or expenses not allowable for tax purposes	(366)	681
Capital allowances for period in excess of depreciation	2	(2)
Utilisation of tax losses	(325)	(274)
Adjustments to tax charge in respect of previous periods	(58)	(5)
Deferred tax – origination and reversal of timing differences	(4)	(1)
Current tax credit for period	**(62)**	**(6)**

7. Intangible fixed assets

	Software development £ 000
Cost	
At 1 January 2020	61
Additions	12
At 31 December 2020	**73**
Amortisation	
At 1 January 2020	36
Provided during the year	20
At 31 December 2020	**56**
Carrying amount	
At 31 December 2020	17
At 31 December 2019	**25**

8. Tangible fixed assets

	Land and buildings £ 000	Fixtures, fittings, tools and equipment £ 000	Total £ 000
Cost			
At 1 January 2020	330	372	702
Additions	-	55	55
At 31 December 2020	**330**	**427**	**757**
Depreciation			
At 1 January 2020	315	276	591
Charge for the year	15	56	71
At 31 December 2020	**330**	**332**	**662**
Carrying amount			
At 31 December 2020	-	95	95
At 31 December 2019	**15**	**96**	**111**

9. Fixed asset investments

Social impact investment portfolio	Total £ 000
At 1 January 2020	270,443
Additions	100,805
Repayment of loans	(34,323)
Redemptions	(28,700)
Profit and loss*	3,420
At 31 December 2020	**311,645**

*Profit and loss is predominantly a combination of management fees and expenses paid to fund managers and fair value adjustments on social impact investments.

The company holds 20% or more of the share capital of the following undertakings:

Investment name	Country of incorporation/ principal place of business[1]	Class of shares held	BSC% as at 31 December 2020	Aggregate capital and reserves of the entity[2] £000	Aggregate profit/(loss) for the year of the entity[2] £000
3SC Capitalise Limited	UK	Ordinary	50.00	2	0
Ada Ventures Soc I LP	Humphreys Law Ltd 5 Merchant Square London W2 1AY	Partnership interest	99.99	N/A[3]	N/A[3]
Bethnal Green Ventures LLP	UK	Partnership interest	35.35	3,890	(504)
Big Issue Invest Outcomes Investment Fund LP	113-115 Fonthill Road Finsbury Park London N4 3HH	Partnership interest	85.00	2,924	(870)
Big Issue Invest Social Enterprise Investment Fund II LP	113-115 Fonthill Road Finsbury Park London N4 3HH	Partnership interest	62.98	9,370	(3,083)
BMO WUK Residential Real Estate FCP-RAIF	Luxembourg	Registered shares	20.00	Holding less than 50%, no public filing required	
Bridges Evergreen Capital Limited Partnership	38 Seymour Street London W1H 7BP	Partnership interest	39.44	Holding less than 50%, no public filing required	
Bridges Social Impact Bond Fund LP	38 Seymour Street, London W1H 7BP	Partnership interest	44.44	Holding less than 50%, no public filing required	
Bridges Social Interim LP	38 Seymour Street, London W1H 7BP	Partnership interest	99.98	9	0
Cheyne Social Property High Impact (I) LP	94 Solaris Avenue Camana Bay PO Box 1348 Grand Cayman Ky1-1108 Cayman Islands	Partnership interest	100.00	915	20
Children's Support Services Limited	UK	Ordinary	26.60	1,266	0
City Funds LP	Narrow Quay House Narrow Quay Bristol BS1 4QA	Partnership interest	50.00	1,329	(243)
Community Owned Renewable Energy LLP	UK	Partnership interest	50.00	18,147	1,036
Eka Ventures 1 LP	Flat 1, Knaresborough House, 5-7 Knaresborough Place London SW5 0TN	Partnership interest	99.60	N/A[3]	N/A[3]
Fair by Design Venture Limited Partnership	The Council House Victoria Square Birmingham West Midlands B1 1BB	Partnership interest	44.68	Holding less than 50%, no public filing required	
Funding Affordable Homes SICAV SIF SA	Luxembourg	Registered shares	19.26	Holding less than 50%, no public filing required	
Impact Ventures SA, SICAV-SIF	Luxembourg	Registered shares	41.58	Holding less than 50% no public filing required	
National Homelessness Property Fund Limited Partnership	The Great Barn, 5 Scarne Court, Hurdon Road, Launceston, Cornwall PL15 9LR	Partnership interest	32.52	Holding less than 50%, no public filing required	

9. Fixed asset investments (continued)

Investment name	Country of incorporation/ principal place of business[1]	Class of shares held	BSC% as at 31 December 2020	Aggregate capital and reserves of the entity[2] £000	Aggregate profit/(loss) for the year of the entity[2] £000
Nesta Impact Investments 1 Limited Partnership	58 Victoria Embankment London EC4Y 0DS	Partnership interest	45.46	Holding less than 50%, no public filing required	
North East Social Investment Fund Limited Partnership	5th Floor 27-35 Grainger Street Newcastle upon Tyne Tyne and Wear NE1 5JE	Partnership interest	48.75	Holding less than 50%, no public filing required	
Public Services Lab LLP	UK	Partnership interest	23.53	(1,040)	(173)
Resonance Supported Homes Fund Limited Partnership	The Great Barn 5 Scarne Court Hurdon Road Launceston Cornwall PL15 9LR	Partnership interest	48.80	Holding less than 50%, no public filing required	
Schroder BSC Social Impact Trust	UK	Ordinary	29.90	N/A[3]	N/A[3]
Shared Lives Investments LP	131-151 Great Titchfield Street, London W1W 5BB	Partnership interest	37.93	Holding less than 50%, no public filing required	
Social Finance Care and Wellbeing Investments LLP	UK	Partnership interest	50.00	3,071	(620)
Social Growth Fund LLP	UK	Partnership interest	50.00	7,072	344
The Charity Bank Limited	UK	Ordinary	63.09	26,729	(479)
The Community Investment Fund L.P.	4th Floor Reading Bridge House George Street Reading RG1 8LS	Partnership interest	55.56	12,997	(54)
The Good Food Ventures LP	4th Floor 20 Air Street London W1B 5DL	Partnership interest	60.00	N/A[3]	N/A[3]
The Third Sector Investment Fund LLP	UK	Partnership interest	50.00	8,531	53
Triodos New Horizons Limited	UK	Ordinary	30.00	2	0
Zamo Capital 1 Limited Partnership	12 Constance Road London E16 2DQ	Partnership interest	99.99	1,180	(627)

The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 requires that:

[1] for unincorporated undertakings, the address of its principal place of business is stated.

[2] for all undertakings where the company's holding is 50% or greater, and for undertakings where the company's holding is 20% or greater and the undertaking is required by any provision of the 2006 Companies Act to deliver a copy of its balance sheet, the aggregate amount of the capital and reserves of the undertaking as at the end of its relevant financial year, and its profit or loss for that year is also stated.

[3] Aggregate capital and reserves and profit or loss not available, as first financial year end falls after 31 December 2020.

10. Debtors

	2020 £ 000	2019 £ 000
Other debtors	63	55
Prepayments	441	436
Accrued income on Treasury Portfolio	120	-
Accrued income on grants	-	3
Accrued income on derivative financial instruments	823	190
Corporation tax	30	-
	1,477	**684**

11. Investments held as current assets

	2020 £ 000	2019 £ 000
Treasury Portfolio – cash deposits	24,596	12,574
Treasury Portfolio – listed debt securities	169,698	225,158
Treasury Portfolio – social bonds/equity/multi-asset funds	32,342	31,434
	226,636	**269,166**

Investments held as current assets can be realised within one year, but not within 24 hours. Social bond/equity/multi-asset funds are open-ended investment companies, and are held as part of the social impact investment allocation within the Treasury Portfolio, as described in the Strategic Report from page 5 above.

Listed debt securities include items with a fair value of £nil (2019: £760,000), which have been pledged as collateral for a contingent liability on foreign exchange forward contracts. The collateral is adjusted daily to reflect any contingent liability arising as at the prior day close of business and is subject to a minimum transfer threshold of £250,000. The collateral can be replaced by a range of agreed alternative financial assets. The company retains the risks and rewards of ownership.

12. Creditors: amounts falling due within one year

	2020 £ 000	2019 £ 000
Trade creditors	381	222
Other taxes and social security costs	142	129
Other creditors	47	37
Accruals	651	501
Deferred income	4	-
	1,225	**889**

13. Deferred taxation

	2020 £ 000	2019 £ 000
Accelerated capital allowances	19	23
Adjustment in respect of prior period	529	(561)
Tax losses carried forward	(1,181)	(977)
Tax losses not recognised as a deferred tax asset	652	1,538
Provision for deferred tax	**19**	**23**

Provision for liabilities	2020 £ 000	2019 £ 000
At 1 January 2020	23	24
Credited to the profit and loss account	(4)	(1)
At 31 December 2020	**19**	**23**

14. Financial risk management and financial instruments

Introduction

The Board is responsible for overall corporate governance, which includes ensuring that there are adequate systems of risk management. The systems and processes aim to identify, measure and report risks. Risk is controlled through a system of procedures, checks, reports and responsibilities. The Audit, Risk and Compliance Committee examines management processes and other arrangements to ensure the appropriateness and effectiveness of systems and controls, including risk management.

As described in the Strategic Report starting on page 5 above, the company's investment portfolio comprises a Social Impact Investment Portfolio and a Treasury Portfolio.

The Social Impact Investment Portfolio comprises unlisted equity investments, loans, investments in unlisted funds and investments in social impact bonds. All social impact investments are approved by the Investment Committee (which has been delegated authority by the Board to operate within set parameters).

The Treasury Portfolio comprises bank and building society cash deposits, certificates of deposit and listed and unlisted debt securities, social bond/equity/multi-asset funds, and represents capital held before it is drawn down into social impact investment. The Treasury Portfolio operates using a socially responsible investment process.

14. Financial risk management and financial instruments (continued)

Categories of financial instrument

Financial instruments as at 31 December by category are shown below:

2020

	Financial instruments measured at fair value through profit or loss £ 000	Financial instruments measured at amortised cost £ 000	Non-financial instruments £ 000	Total £ 000
Assets				
Tangible and intangible fixed assets	-	-	112	112
Fixed asset investments	294,169	17,476	-	311,645
Debtors	823	-	654	1,477
Investments held as current assets	56,938	169,698	-	226,636
Cash at bank and in hand	-	65,852	-	65,852
Liabilities				
Creditors: amounts falling due within one year	-	(1,225)	-	(1,225)
Deferred taxation	-	-	(19)	(19)
	351,930	**251,801**	**747**	**604,478**

2019

	Financial instruments measured at fair value through profit or loss £ 000	Financial instruments measured at amortised cost £ 000	Non-financial instruments £ 000	Total £ 000
Assets				
Tangible and intangible fixed assets	-	-	136	136
Fixed asset investments	254,103	16,340	-	270,443
Debtors	190	58	436	684
Investments held as current assets	48,845	220,321	-	269,166
Cash at bank and in hand	-	16,274	-	16,274
Liabilities				
Creditors: amounts falling due within one year	-	(889)	-	(889)
Deferred taxation	-	-	(23)	(23)
	303,138	**252,104**	**549**	**555,791**

The financial instruments not accounted for at fair value through profit or loss are assets and liabilities whose carrying amounts at the period end approximate fair value.

14. Financial risk management and financial instruments (continued)

(Categories of financial instrument continued)

Gains and losses recognised in the profit and loss account during the period to 31 December by category are shown below:

2020

	Financial assets measured at fair value through profit or loss £ 000	Financial derivatives measured at fair value £ 000	Financial assets measured at amortised cost £ 000	Other income and expense £ 000	Total £ 000
Interest income	3,917	-	3,424	-	7,341
Fee and dividend income	167	-	-	-	167
Investment gains/(losses)	4,251	(1,219)	1,309	-	4,341
Other income	-	-	-	115	115
Administrative and other expenses	-	-	(437)	(7,902)	(8,339)
Tax on loss on ordinary expenses	-	-	-	62	62
	8,335	**(1,219)**	**4,296**	**(7,725)**	**3,687**

2019

	Financial assets measured at fair value through profit or loss £ 000	Financial derivatives measured at fair value £ 000	Financial assets measured at amortised cost £ 000	Other income and expense £ 000	Total £ 000
Interest income	3,784	-	4,107	-	7,891
Fee and dividend income	223	-	27	-	250
Investment gains/(losses)	(2,951)	2,814	(2,333)	-	(2,470)
Other income	-	-	-	144	144
Administrative and other expenses	-	-	(538)	(7,409)	(7,947)
Tax on loss on ordinary expenses	-	-	-	6	6
	1,056	**2,814**	**1,263**	**(7,259)**	**(2,126)**

Credit risk

Credit risk is the risk of financial loss from a counterparty's failure to settle financial obligations as they fall due. The company is exposed to credit risk principally from debt securities held, loans and receivables and cash deposits.

Investments in unlisted funds and loans included in fixed asset investments are all social impact investments. Debt securities, showing as current asset investments, are held within the Treasury Portfolio. Cash deposits are held either for operational purposes or as part of the Treasury Portfolio. Cash deposits that can be withdrawn at any time without notice and without penalty or that have a maturity or period of notice of not more than 24 hours or one working day are shown as cash at bank and in hand, whereas all other deposits with a maturity of up to one year are shown as investments held as current assets.

Within the Treasury Portfolio, the company has set a maximum exposure limit for each counterparty. The treasury policy seeks to minimise the exposure to counterparties with perceived higher risk of default by specifying an average credit rating for the portfolio. The Treasury Portfolio is managed externally and counterparty exposure limits and average credit rating are monitored by the external managers. The company receives monthly treasury reports.

The company's maximum credit risk exposure at the Statement of Financial Position date is represented by the respective carrying amounts of the relevant financial assets in the Statement of Financial Position, with the exception of listed debt securities designated as at amortised cost, for which the credit exposure and the carrying value are shown below. The carrying value includes amortisation of the premium at purchase and does not include any market revaluation, and therefore does not represent the current credit risk.

The company uses foreign exchange forward contracts to manage its exchange risk exposure from holdings of non-GBP denominated financial assets. Collateral is exchanged on open foreign exchange forward contracts representing the unrealised gain (receipt of collateral by the company) or loss (pledge of collateral by the company) on a daily basis.

Credit risk arises from changes in the value of the open foreign exchange forward contracts being insufficiently covered by collateral received (to cover unrealised gains) if the counterparty to the contract does not complete the exchange of currency on the contracted settlement date. This is mitigated by utilising standard credit support agreements with a limited number of mainstream financial institutions and reliance upon the collateral management processes at the investment manager.

14. Financial risk management and financial instruments (continued)

(Credit risk continued)
Credit risk exposure as at the Statement of Financial Position date comprises:

Credit risk exposure	2020 £ 000	2019 £ 000
Fixed asset investments	311,645	270,443
Other debtors	886	245
Accrued income	120	3
Social bond/equity/multi-asset funds – Investments held as current assets	32,342	31,434
Cash deposits – Investments held as current assets	24,596	12,574
Listed debt securities*	174,349	225,158
Cash deposits – Cash at bank and in hand	65,852	16,274
Maximum exposure to credit risk as at the Statement of Financial Position date	**609,790**	**556,131**

* Included within listed debt securities:	Credit risk exposure £ 000	Carrying value £ 000
Listed debt securities designated as at amortised cost	174,349	169,698
	174,349	**169,698**

As at the year end Cash at bank and in hand and Investments held as current assets were held at institutions rated as follows by Standard & Poor's Investor Services:

	Rating	2020 £ 000	2019 £ 000
Social bond/equity/multi-asset funds investments	Not rated	32,342	31,434
Listed debt securities	AAA	32,243	47,444
Listed debt securities	AA	28,545	51,137
Listed debt securities	A	68,448	90,865
Listed debt securities	BBB	30,552	30,373
Listed debt securities	Not rated	9,910	5,339
Cash deposits – Investments held as current assets	AA	-	998
Cash deposits – Investments held as current assets	A-1	-	11,576
Cash deposits – Investments held as current assets	Not rated	24,596	-
Cash deposits – Cash at bank and in hand	A-1	65,852	16,274
		292,488	**285,440**

Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations. The company's policy is to ensure it has sufficient funds to fulfil liabilities as they fall due, including investment commitments approved by the Investment Committee (see Note 20 – Capital commitments, for details of investment commitments).

The company's financial assets include loans, unlisted equity investments, investments in unlisted funds and investments in social impact bonds, which are generally illiquid.

The company's investments in listed debt securities are considered to be readily realisable as they are actively traded. All cash deposits held as current assets have a maturity of less than 12 months.

The company's overall liquidity is monitored on a daily basis. The company expects to receive quarterly capital inflows to meet its social impact investment commitments and other obligations.

14. Financial risk management and financial instruments (continued)

(Liquidity risk continued)
An analysis of contractual creditor balances, by maturity, is shown below:

2020	Carrying amount £ 000	Contractual cash flows £ 000	6 months or less £ 000
Creditors: amounts falling due within one year	1,225	1,225	1,225
	1,225	**1,225**	**1,225**

2019	Carrying amount £ 000	Contractual cash flows £ 000	6 months or less £ 000
Creditors: amounts falling due within one year	889	889	889
	889	**889**	**889**

Market risk
Market risk is the risk that changes in market prices, such as interest rates and credit spreads (not relating to changes in the issuer's credit standing) will affect the company's income or the fair value of its holdings of financial instruments.

The company has interest rate exposure. The company currently has £292.5 million in cash or current asset investments that earn interest at a variety of rates. Any reduction in interest rates will reduce the interest income on these deposits. A reduction of interest rates by 1% would result in a reduction in returns of £2.9 million.

Foreign exchange risk
The company is exposed to foreign currency risks on assets and liabilities as a result of changes in exchange rates. The company invests in foreign currency denominated bonds through its Treasury Portfolio and a foreign currency denominated fund in the Social Impact Investment Portfolio, and so has foreign currency risk exposure on those assets. The company mitigates the risk on the bonds by putting in place matching currency forward derivative contracts. When a foreign currency denominated bond is purchased a spot trade and a forward are executed, and these are rolled forward every three months. The spot trade buys foreign currency and sells GBP (originally to fund the bond purchase) and a new forward contract is then executed to sell foreign currency and buy GBP, creating a foreign currency liability that offsets the investment. Currently the size of the company's investment in the foreign currency denominated fund is too low for a similar process to be cost-effective due to the associated fees; the fund also holds GBP denominated assets which partially mitigate the exposure. The exposure continues to be monitored and the company has the ability to implement a similar procedure to the bonds when/if required.

Regulatory risk
The company is authorised and regulated by the FCA. It is required to regularly assess the amount of capital needed for operations and will hold liquid capital in excess of this amount.

The company has, at all times during the period under regulatory supervision, held sufficient capital to meet its regulatory capital requirement.

15. Valuation of financial instruments

The determination of fair value for basic financial instruments for which there is no observable market price requires the use of valuation techniques as described in Note 1 – Significant accounting policies, Basic financial instruments – iii.) Fair value measurement.

The company uses a three-level hierarchy for fair value measurement disclosure, as follows:

Level One

The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level Two

Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level Three

Inputs are unobservable (i.e for which market data is unavailable) for the asset or liability.

In determining a fair value using Level 3 valuation techniques, the company applies the principles included in the International Private Equity and Venture Capital Valuation Guidelines (2018 Edition):

- Where an investment has been made recently, or where there has been subsequent, significant new investment into the company, a more accurate valuation is not available and there is no evidence to suggest that the unadjusted Price of Recent Investment is no longer relevant, the company may apply the Price of Recent Investment, for a limited period following the date of the relevant transaction. Where it is felt that there has been a change to the milestones or benchmark then the company will use the Price of Recent Investment adjusted to reflect milestone/benchmark analysis.
- Where appropriate and reasonable earnings or revenue multiples are available for comparable businesses, the company will apply the Multiples valuation technique to derive a value for the investment.
- If industry benchmarks can be applied to the investment to derive a fair value, these will be applied.
- If future cash flows can be reasonably estimated, and it is felt that the risks, due to the high level of subjectivity, involved in applying the Discounted Cash Flow method do not render the method insufficiently reliable, this will be applied.
- Where a regular Net Asset Valuation is available for the investment, the company will assess this for reasonableness and consider whether the investment can be valued on the basis of the underlying fair value of its assets, rather than its earnings. If this is considered appropriate the company will apply the Adjusted Net Asset Valuation method.

The company may decide to use a combination of the mentioned methods, or other methods that are considered more appropriate to derive the fair value of its investments.

The fair value hierarchy of financial assets and liabilities held at fair value as at 31 December can be analysed as follows:

	2020 £ 000	2019 £ 000
Level 1		
Investments held as current assets	17,897	16,888
Level 2		
Investments held as current assets	39,041	31,597
Derivative financial instruments	823	190
Level 3		
Fixed asset investments	294,169	254,103
	351,930	**303,138**

There have been no changes in classification of assets held at each level.

	Financial assets held at fair value through profit or loss £ 000
Balance at 1 January 2020	254,103
Purchases	98,156
Sales	(61,538)
Total investment returns	3,268
Balance at 31 December 2020	**294,169**

All Level 3 financial assets held at fair value are investments held within the Social Impact Investment Portfolio.

16. Share capital

	Nominal value	2020 Number	2020 £ 000	2019 £ 000
Allotted, called up and fully paid:				
Ordinary A shares	£1 each	426,345	426,345	381,345
Ordinary B shares	£1 each	200,000	200,000	200,000
			626,345	**581,345**

17. Profit and loss account

£ 000	2020 £ 000	2019 £ 000
At 1 January 2020	(25,554)	(23,428)
Profit/(Loss) for the financial year	3,687	(2,126)
At 31 December 2020	**(21,867)**	**(25,554)**

18. Cash and cash equivalents

	2020 £ 000	2019 £ 000
Cash at bank	65,852	16,274
Current asset investments (maturity less than 3 months from the date of acquisition)	21,597	11,576
Cash and cash equivalents per cash flow statement	**87,449**	**27,850**

As described in Note 11 – Investments held as current assets, investments held as current assets can be realised within one year, but not within 24 hours. For cash flow purposes those investments that have a maturity or period of notice of less than three months from the date of acquisition are included as cash and cash equivalents. A breakdown of investments held as current assets is provided below:

	2020 £ 000	2019 £ 000
Current asset investments (maturity less than three months from the date of acquisition)	21,597	11,576
Current asset investments (maturity greater than three months from the date of acquisition)	2,999	998
Listed debt securities	169,698	225,158
Social bond/equity/multi-asset funds investments	32,342	31,434
Investments held as current assets per Statement of Financial Position	**226,636**	**269,166**

19. Events after the reporting date

During March 2021 the company received a £15 million grant. This grant will be directed towards specific housing-related investment programmes designed to support those most in need post-pandemic. Further details of the grant will be released in due course.

20. Capital commitments

The company recognises investments and potential investments at three distinct stages of the investment process:

1. **Investments signed and drawn down** – legal agreements are completed and signed and funds (in total or partial) have been drawn down. The amounts drawn down are recognised as financial assets in the Statement of Financial Position, and the balance of the commitment is disclosed below.
2. **Investments signed, commitment undrawn** – legal agreements are completed and signed and funds (in total or partial) have not been drawn down. These are not recognised within the Statement of Financial Position, but are disclosed below.
3. **In principle commitments** – the commitment has been approved in principle by the company's Investment Committee, legal agreements and deal terms are in the process of being prepared. These are not recognised within the Statement of Financial Position, but are disclosed below.

As at 31 December, there were capital commitments, in respect of investments signed, commitments undrawn, of:

	2020 £ 000	2019 £ 000
Commitments contracted, undrawn fully or partially and not provided in the Financial Statements	**193,133**	**237,240**

As at 31 December, there were in principle commitments of:

	2020 £ 000	2019 £ 000
In principle commitments (approved by the Investment Committee, subject to legal documentation)	**25,850**	**42,000**

21. Other financial commitments

	Land and buildings 2020 £ 000	Land and buildings 2019 £ 000
Falling due:		
within one year	372	368
within two to five years	1,196	1,489
in over five years	-	80
	1,568	**1,937**

22. Related party transactions

During 2020 The Oversight Trust – Assets for the Common Good (formerly The Big Society Trust), being the parent company, purchased £45 million (2019: £nil) of £1 Ordinary A shares in Big Society Capital Limited. During 2020 Big Society Capital Limited incurred £48,000 of costs (2019: £30,000) on behalf of the Oversight Trust. No amount was outstanding at 31 December 2020 (31 December 2019: £30,000).

During the period Access – The Foundation for Social Investment, being a member of The Oversight Trust – Assets for the Common Good Group, paid £78,400 (2019: £78,400) to Big Society Capital, in respect of a licence fee for the use of its offices. As at 31 December 2020 there was an outstanding balance of £6,500 (31 December 2019: £6,500). The transactions were made on terms equivalent to those that prevail in arm's length transactions.

Directors' and senior management emoluments are disclosed in Note 5 – Directors' and key management personnel emoluments, and the Remuneration Report on page 30 above.

23. Controlling party

The directors consider that the immediate parent undertaking and the ultimate controlling party of this company is The Oversight Trust – Assets for the Common Good, a company incorporated in the UK and limited by guarantee.

The consolidated financial statements of the group are available to the public and may be obtained from Companies House.

24. Presentation currency

The financial statements are presented in sterling.

25. Legal form of entity and country of incorporation

Big Society Capital Limited is a limited company incorporated in England.

26. Principal place of business

The address of the company's principal place of business and registered office is:
New Fetter Place, 8–10 New Fetter Lane, London EC4A 1AZ

www.bigsocietycapital.com
Registered number 07599565