

# **The National Funding Scheme**

---

## **Annual Report and Unaudited Financial Statements**

30 September 2017

Company Limited by Guarantee Registration Number  
08223187 (England and Wales)

Charity Registration Numbers  
1149800 (England and Wales)  
SC045106 (Scotland)

## Contents

### Reports

Reference and administrative details of the Charity, its Trustees and Advisors	1
Trustees' report	2
Independent examiner's report	7

### Accounts

Statement of financial activities	9
Balance sheet	10
Principal accounting policies	11
Notes to the financial statements	15

## Reference and Administrative Details of the Charity, its Trustees and Advisors

<b>Trustees</b>	Simisola Belo Jamie Galloway William Makower Andrew Moyes Molly Waiting
<b>Registered office</b>	10 Queen Street Place London EC4R 1BE
<b>Company number</b>	08223187 (England and Wales)
<b>Charity numbers</b>	1149800 (England and Wales) SC045106 (Scotland)
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Solicitor</b>	Bates Wells Braithwaite, LLP 10 Queen Street Place London EC4R 1BE
<b>Banker</b>	National Westminster Bank Plc 15 Bishopsgate London EC2P 2AP

## Trustees' report 30 September 2017

The Trustees present their statutory report along with the financial statements of The National Funding Scheme ("NFS") for the year to 30 September 2017.

The financial statements have been prepared in accordance with the accounting policies set out on pages 11 to 14 and comply with the charitable company's memorandum and articles of association, the Companies Act 2006, the Charities And Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

This report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors report for the purpose of company legislation.

### **Structure, Governance and Management**

#### ***Governance***

The National Funding Scheme is a charitable company, limited by guarantee, incorporated on 20 September 2012 and registered as a charity on 16 November 2012. The charity was established under a Memorandum of Association which established the objects and powers of the charity and is governed under its Articles of Association.

The governance and strategy of the charity is overseen by the Board of Trustees (named in the table below). Trustees are appointed as outlined in the Memorandum and Articles of Association and they bring specific skills to complement and support the Management Team.

The following Trustees were in office at 30 September 2017, and served throughout the period except where shown.

#### **Trustees**

---

Simisola Belo	Appointed 14 June 2017
Jamie Galloway	
William Makower	
Andrew Moyes	Appointed 14 June 2017
Molly Waiting	

---

## **Structure, Governance and Management** (continued)

### ***Key management personnel***

The Trustees consider that they comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

None of the Trustees received any remuneration for their services as Trustees (2016 - none).

### ***Statement of Trustees' responsibilities***

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

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

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulation 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and

## **Structure, Governance and Management** (continued)

### **Statement of Trustees' responsibilities** (continued)

- ◆ the Trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

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

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

### **Risk Management**

The Trustees are mindful of their responsibility as charity trustees to identify the risks the charity faces and to establish and implement systems and procedures to mitigate those risks identified. Risks were considered at each quarterly Board meeting during 2016/17 and appropriate actions taken. Risks continue to be reviewed at a similar frequency.

### **Principal Aims, Objectives and Activities**

The object of the National Funding Scheme (NFS) is "the promotion of the efficiency and effectiveness of charities for the public benefit by promoting charitable giving, fundraising and donations to charities, particularly (but not exclusively) through supporting new ways of giving to charities and through digital means".

As Trustees, we confirm that we have referred to the guidance contained in the Charity Commission's general advice on public benefit when reviewing the charity's aims and objectives and in planning future activities for the year.

### **Activities and Achievements**

As an organisation we have seen our annual operating deficit reduce from £25,641 (2016) to £7,800. This near breakeven position reflects a determination to keep our costs to a minimum and greater take-up and innovation around our products and services.

The 2016-2017 year has been marked by the development of our contactless donation service whilst continuing to develop the integrated text and web services. All our services continue to be focussed on supporting charities to raise more funds from digital channels whilst also educating more generally our partners around digital fundraising.

Contactless card payments have become increasingly ubiquitous be that in restaurants, shops or market stalls. With falling cash usage, charities equally wish to benefit from the ease of giving via phone or card. National Funding Scheme partnered with Barclaycard to develop a contactless offer as well as developing a bespoke plastic-injection mould to house the contactless unit. This development required significant effort and investment and the Trustees are immensely grateful to Digital Information and Giving Ltd in supporting this initiative. Trials were run from the end of October 2017 and the results of this will be provided in the 2018 report.

### **Activities and Achievements** (continued)

The core DONATE technology was further developed and improved through both design, technology and the overall user experience. Additional reporting and functionality was provided to our partner charities to support them to self-service their requirements.

Average web donation levels (including Gift Aid) were £59 in the period (2016: £51). Whilst text remains the most popular channel for donations (67%), web delivers the greater share of monetary donations (92%). Both of these statistics underline our continued focus on live events where digital means of giving provide additional capability and therefore increased funds.

Donors can give either as guests or register with DONATE. By registering with DONATE donors benefit from access to greater control over their account and tax relief statements. 38% (7,313) of all donors have registered with DONATE indicating the benefit this service provides.

In July 2017 we were honoured to be recognised by our peers as the most flexible digital system of the year (2017) and received a Paperless Award.

We are invited to run education sessions with partners and attend industry events to share learnings and promote the benefits of NFS. Highlights include speaking at the Institute of Fundraising (Technology group) and at GovNews Direct's Government conference.

### **Financial report for the period**

#### ***Results for the period***

Total income for the period was £297,326 (2016 - £326,265), consisting of donations and commission earned through the NFS platform, and gifts in kind. This slowing of income reflects the tapering off of grants and the increasing reliance on earned income.

Charitable expenditure on activities in furtherance of the charity's objectives amounted to £303,135 (2016 - £350,902), predominantly comprised of charitable donations, other costs relating to the charity's version of the licensed fundraising platform, and gifts in kind. Total expenditure for the period was £305,126 (2016 - £351,906).

The charity incurred an overall deficit of £7,800 (2016 - £25,641) for the year which continues to be underwritten by its two principal creditors, Digital Information and Giving Ltd and Panlogic Ltd which, under the control of Mr Makower, continue to provide financial support during the transition to being reliant on earned income.

#### ***Reserves policy***

The Trustees are mindful that the target for free reserves should be three months' running costs and work towards this objective.

**Financial report for the period** (continued)

***Financial position***

At the period end restricted funds were £nil (2016 - £nil) and unrestricted funds were a deficit of £38,534 (2016 - £30,734).

The Trustees are confident that the charity will be able to meet its liabilities as they fall due or the foreseeable future and have plans to ensure that the charity can build its reserves up to an acceptable level. The Trustees, therefore, believe it is appropriate for the accounts to be prepared on a going concern basis.

This report was prepared under the Small Companies Regulations of the Companies Act 2006.



MOLLY WAITINA

Signed on behalf of the Trustees

Approved by the Board of Trustees on: 26 June 2018



**Independent examiner's report to the trustees of The National Funding Scheme**

I report to the charity trustees on my examination of the financial statements of the charitable company for the year ended 30 September 2017.

**Responsibilities and basis of report**

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Emphasis of matter**

I draw attention to the accounting policy on going concern in the financial statements and the narrative on financial position in the trustees' report, which explains the basis for concluding that the charity is a going concern. The charity is dependent upon the ongoing support of certain creditors as outlined in the report. Our opinion is not qualified with regard to the above.

**Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. Except for the matter I draw your attention to above, I confirm that no matters have come to my attention in connection with my examination giving me cause to believe:

- ◆ accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- ◆ the financial statements do not accord with those records; or
- ◆ the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- ◆ the financial statements have not been prepared in accordance with the methods and principles of the for "Accounting and Reporting by Charities: the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)."

**Independent examiner's report** 30 September 2017

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Edward Finch ACA  
Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London EC2V 6DL

28 June 2018

**Statement of financial activities** Year to 30 September 2017

	Notes	Unrestricted £	Restricted £	2017 Total funds £	2016 Total funds £
<b>Income</b>					
Donations	1	—	280,652	<b>280,652</b>	308,760
Charitable activities	2	16,670	—	<b>16,670</b>	17,481
Interest receivable		4	—	<b>4</b>	24
<b>Total income</b>		<u>16,674</u>	<u>280,652</u>	<u><b>297,326</b></u>	<u>326,265</u>
<b>Expenditure</b>					
Cost of raising funds	3	1,991	—	<b>1,991</b>	1,004
Charitable activities	4	2,707	300,428	<b>303,135</b>	350,902
<b>Total expenditure</b>		<u>4,698</u>	<u>300,428</u>	<u><b>305,126</b></u>	<u>351,906</u>
Net income (expenditure) before transfers		11,976	(19,776)	<b>(7,800)</b>	(25,641)
Transfers between funds	14	(19,776)	19,776	<b>—</b>	—
<b>Net expenditure and net movement in funds</b>		<u>(7,800)</u>	<u>—</u>	<u><b>(7,800)</b></u>	<u>(25,641)</u>
<b>Reconciliation of funds:</b>					
Fund balances brought forward at 1 October 2016		(30,734)	—	<b>(30,734)</b>	(5,093)
<b>Fund balances carried forward at 30 September 2017</b>		<u>(38,534)</u>	<u>—</u>	<u><b>(38,534)</b></u>	<u>(30,734)</u>

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

All recognised gains and losses are included in the above statement of financial activities.

The notes on pages 15 to 20 form part of the financial statements.

**Balance sheet** at 30 September 2017

	Notes	2017 £	2017 £	2016 £	2016 £
<b>Fixed assets</b>					
Intangible fixed assets	10	—		—	
<b>Current assets</b>					
Debtors	11	17,682		8,952	
Cash at bank and in hand		13,316		26,025	
			30,998		34,977
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	12	(48,275)		(44,454)	
<b>Net current assets</b>					
			(17,277)		(9,477)
Total assets less current liabilities			(17,277)		(9,477)
Creditors: amounts falling due after one year	13		(21,257)		(21,257)
<b>Total net assets</b>			<b>(38,534)</b>		<b>(30,734)</b>
<b>The funds of the charity:</b>					
Unrestricted funds			(38,534)		(30,734)
Restricted funds	14		—		—
			<b>(38,534)</b>		<b>(30,734)</b>


For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Signed on behalf of the Board of Trustees by:

  
Trustee Molly WAITING

Approved by the Board of Trustees on: 26 June 2018

Registered Company Number 08223187 (England and Wales)

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

**Basis of preparation**

These accounts have been prepared for the year to 30 September 2017.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006.

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

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

**Critical accounting estimates and areas of judgement**

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

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

- ◆ estimating the useful economic life of intangible fixed assets; and
- ◆ estimating the value of gifts in kind received.

**Assessment of going concern**

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

These financial statements have been prepared on a going concern basis. The total funds of the charity are in deficit and the charity is reliant on financial support from Panlogic Ltd and Digital Information and Giving Ltd (who are providing extended credit on the £18,599 and £17,198 owed at the year end respectively, see note 16 to the accounts). Although net liabilities are greater than these amounts, the charity is running at a surplus after the end of the financial year, because of both an improvement in trading and sales and services in relation to the contactless donation services. Moreover, the improved trading position and the addition of the contactless donation services has resulted in a continuing improved position. The trustees are therefore confident that the charity will be able to meet its liabilities as they fall due for the foreseeable future and have plans to ensure that the charity can build its reserves up to an acceptable level. For this reason the financial statements have been prepared on a going concern basis.

### **Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, commission earned on donations processed through the National Funding Scheme, investment income and income from charitable activities.

Donations processed through the National Funding Scheme are included within income as restricted donations. Any commission earned on these donations by the charity is included within income from charitable activities. The donations less the commission are subsequently passed onto the recipient organisations and included in expenditure as charitable donations. Any amounts not paid over to the recipients at the year end are included within creditors.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided/the facilities are used by the charity. An equivalent amount is included as expenditure.

Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

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

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

### **Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

**Expenditure recognition** (continued)

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes staff costs associated with fundraising, and an allocation of support costs.
  
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include the payment to charities of amounts received through the National Funding Scheme and direct and support costs incurred in the operation of the National Funding Scheme, including governance costs.

All expenditure is stated inclusive of irrecoverable VAT.

**Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel, development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned based on the proportion of staff time spent on each activity.

**Intangible fixed assets and amortisation**

All assets with a cost greater than £500 and a life expectancy exceeding one year are capitalised.

Intangible fixed assets are included at cost. Amortisation is provided at the following annual rates in order to write off each asset on a straight line basis over its estimated useful life:

- ◆ Software Licence                                      33% pa of cost.

**Fund accounting**

Restricted funds are to be used for specific purposes as specified by the donor. Expenditure which meets these criteria, is charged to the fund.

General unrestricted funds are available for use at the discretion of the Trustees in the furtherance of the general objectives of the charity.

**Cash flow**

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 102.

**Debtors**

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

**Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

**Creditors and provisions**

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



Notes to the financial statements Year to 30 September 2017

**1 Donations**

	Unrestricted £	Restricted £	2017 Total funds £	2016 Total funds £
Set up grants				
. Arts Council England	—	—	—	12,500
. Rothschild	—	—	—	15,000
National Funding Scheme donations	—	151,270	<b>151,270</b>	203,918
Donations – other	—	—	—	6,971
Gifts in kind	—	129,382	<b>129,382</b>	70,371
<b>2017 Total funds</b>	<b>—</b>	<b>280,652</b>	<b>280,652</b>	<b>308,760</b>
2016 Total funds	—	308,760	308,760	

**2 Income from charitable activities**

	Unrestricted £	Restricted £	2017 Total funds £	2016 Total funds £
Commission on National Funding Scheme Donations	14,750	—	<b>14,750</b>	8,630
Event Income	—	—	—	8,132
Contactless trial	1,720	—	<b>1,720</b>	—
Other	200	—	<b>200</b>	719
<b>2017 Total funds</b>	<b>16,670</b>	<b>—</b>	<b>16,670</b>	<b>17,481</b>
2016 Total funds	17,481	—	17,481	

**3 Cost of raising funds**

	Unrestricted £	Restricted £	2017 Total funds £	2016 Total funds £
Costs of raising funds				
. Staff costs (note 6)	156	—	<b>156</b>	593
. Other	1,835	—	<b>1,835</b>	411
<b>2017 Total funds</b>	<b>1,991</b>	<b>—</b>	<b>1,991</b>	<b>1,004</b>
2016 Total funds	1,004	—	1,004	

#### 4 Charitable activities

	Unrestricted £	Restricted £	2017 Total funds £	2016 Total funds £
Staff costs (note 6)	—	6,037	6,037	27,567
Consultancy fees	—	894	894	2,381
Resourcing contractors and hosting	—	131,549	131,549	79,035
Amortisation	—	—	—	16,667
Marketing	—	156	156	2,561
Transaction costs	—	6,814	6,814	8,760
Legal and professional fees	—	2,738	2,738	1,835
Support costs (note 7)	—	857	857	1,468
Charitable donations	—	151,270	151,270	203,918
Events	—	113	113	2,952
Governance costs (note 5)	2,707	—	2,707	3,758
<b>2017 Total funds</b>	<b>2,707</b>	<b>300,428</b>	<b>303,135</b>	<b>350,902</b>
2016 Total funds	3,758	347,144	350,902	

#### 5 Governance costs

	Unrestricted £	Restricted £	2017 Total funds £	2016 Total funds £
Staff costs (note 6)	312	—	312	1,482
Independent examination fees	2,350	—	2,350	2,200
Support costs (note 7)	45	—	45	76
<b>2017 Total funds</b>	<b>2,707</b>	<b>—</b>	<b>2,707</b>	<b>3,758</b>
2016 Total funds	3,758	—	3,758	

#### 6 Staff costs

	2017 Total funds £	2016 Total funds £
Wages and salaries	6,505	29,125
Social security costs	—	517
	<b>6,505</b>	<b>29,642</b>

No employees received remuneration in excess of £60,000 during the period (2016 – none).

During the period, the average number of staff was zero (2016 – one).

During the period, no expenses were reimbursed to any trustee (2016 - £nil).

**6 Staff costs** (continued)

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the Trustees. No Trustee received any remuneration for their services (2016 - £nil).

**7 Support costs**

The support costs incurred during the year to 30 September 2017 and the basis of their allocation were as follows:

	Cost of raising funds £	Charitable activities £	Governance £	Total £
Insurance	—	582	31	<b>613</b>
Travel and expenses	—	117	6	<b>123</b>
Telephone	—	92	5	<b>97</b>
Computer and software	—	66	3	<b>69</b>
	—	857	45	<b>902</b>

Any direct costs are charged to the relevant activity. Any indirect costs are allocated to each activity based on the estimated level of usage.

**8 Net movement in funds**

This is stated after charging:

	2017 Total funds £	2016 Total funds £
Staff costs (note 6)	<b>6,505</b>	29,642
Independent Examiner's remuneration – current year	<b>2,350</b>	2,200
Amortisation (note 10)	—	16,667

**9 Taxation**

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

**10 Intangible fixed assets**

	Software Licence £
<b>Cost</b>	
At 30 September 2016 and 30 September 2017	<b>100,000</b>
<b>Amortisation</b>	
At 30 September 2016 and 30 September 2017	<b>100,000</b>
<b>Net book value</b>	
At 30 September 2016 and at 30 September 2017	<b>—</b>

**11 Debtors**

	2017 £	2016 £
Trade and other debtors	5,366	—
Prepayments	11,183	7,812
VAT Recoverable	—	94
Gift aid receivable	1,133	1,046
	<b>17,682</b>	<b>8,952</b>

**12 Creditors: amounts falling due within one year**

	2017 £	2016 £
Trade creditors	18,281	15,876
Loan from Digital Information Giving Ltd	10,631	10,631
Amounts due to affiliates with charitable purpose	16,257	15,224
Accruals	2,200	2,200
Tax and social security	523	523
VAT Liability	383	—
	<b>48,275</b>	<b>44,454</b>

The amounts due to affiliates with charitable purpose are held in a separate bank account, as agreed with the Charity Commission.

**13 Creditors: amounts falling due after one year**

	2017 £	2016 £
Trade creditors	21,257	21,257
	<b>21,257</b>	<b>21,257</b>

#### 14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants to be applied for specific purposes.

	At 30 September 2016 £	Income £	Expenditure £	Transfers £	At 30 September 2017 £
National Funding Scheme donations	—	151,270	(171,046)	19,776	—
Gifts in kind	—	129,382	(129,382)	—	—
	—	280,652	(300,428)	19,776	—

#### 15 Analysis of net assets between funds

Fund balances at 30 September 2017 are represented by:

	General funds £	Restricted funds £	Total 2017 £	Total 2016 £
Current assets	30,998	—	30,998	34,977
Creditors amounts falling due within one year	(48,275)	—	(48,275)	(44,454)
Creditors amounts falling due after one year	(21,257)	—	(21,257)	(21,257)
Total net assets	(38,534)	—	(38,534)	(30,734)

#### 16 Related party disclosures

The Trustees acknowledge the considerable support given by many individuals and organisations. Specifically Bates Wells Braithwaite for legal work, Panlogic Ltd for technical development and administration support and Digital Information Giving Ltd for technical hosting and maintenance.

William Makower is a shareholder director of Panlogic Ltd and Digital Information and Giving Ltd and a serving trustee of The National Funding Scheme.

- ◆ During the period, William Makower provided advisory services to the charity on a volunteer basis (with no charge to the charity) at a value of £31,201 (2016 - £27,445). William Makower received no payment for provision of trustee services or advisory services to the charity during the period.
- ◆ During the period, the charity did not pay Panlogic Ltd in relation to rent, marketing and staff time. Panlogic Limited provided £67,445 (2016 - £70,371) of pro-bono support to the charity during the period. This has been recognised as a gift in kind in the financial statements.
- ◆ At the year end £18,599 (2016 - £18,515) was owed to Panlogic Ltd.

**16 Related party disclosures** (continued)

- ◆ During the year, the charity did not pay Digital Information and Giving Ltd for hosting and maintenance costs (2016 - £8,664). Digital Information and Giving Ltd provided £28,664 (2016 - £nil) of pro-bono support to the charity during the period. This has been recognised as a gift in kind in the financial statements.
- ◆ There was a balance of £17,198 (2016 - £14,599) owed to Digital Information and Giving Ltd at 30 September 2017.
- ◆ During the year, the charity did not pay Digital Information and Giving Ltd for the software licence (2013-2016 - £33,333 per annum). A gift in kind of £33,333 has therefore been recognised in the financial statements for the software license.
- ◆ During the year, no donations (2016 - £nil) were received from the Trustees.