

THE NATIONAL FUNDING SCHEME

England & Wales · Charity number 1149800

Details

Other names	THE NATIONAL DONATION SCHEME
Status	Registered
Legal form	Charitable company
Company number	08223187
Registered	2012-11-16
Register	View on the Charity Commission register

Contact

Address	National Funding Scheme c/o 1 Golden Court Richmond Surrey TW9 1EU
Phone	0333 3395234
Email	hello@nationalfundingscheme.org
Website	https://www.nationalfundingscheme.org/

Activities

Objects: 1)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.2) SUCH CHARITABLE PURPOSES FOR THE PUBLIC BENEFIT AS ARE EXCLUSIVELY CHARITABLE ACCORDING TO THE LAWS OF ENGLAND AND WALES AS THE TRUSTEES MAY FROM TIME TO TIME DETERMINE.

Activities: NFS supports charities from all sectors by promoting the efficiency and effectiveness of charitable giving through a digital donation platform, allowing organisations to raise funds for specific charitable projects. NFS also supports charities by offering DONATE Events, where the charities host specific events at which the digital donation platform is utilised to encourage increased donations.

Classification

- **How:** Makes Grants To Organisations, Provides Services, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Arts/culture/heritage/science
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£574,402	£563,073	£-10,282	0
2023-09-30	£601,707	£579,343	£-21,610	0
2022-09-30	£609,622	£598,717	£-43,974	0
2021-09-30	£965,239	£963,380	£-54,879	0
2020-09-30	£1,193,893	£1,208,092	£-56,738	0

Trustees

Name	Role	Appointed
Georgina Bagshawe		2022-03-23
JAMIE GALLOWAY		2016-06-22
Jun Park		2020-02-19
Sam Cooper		2021-01-25
WILLIAM MAKOWER		2012-11-07

Accounts

COMPANY REGISTRATION NUMBER: 08223187
CHARITY REGISTRATION NUMBER: 1149800
COMPANY REGISTERED NUMBER: SCOTLAND: SC045106

The National Funding Scheme
Company Limited by Guarantee
Unaudited Financial Statements
30 September 2024

FROST & COMPANY

Chartered accountants
Unit C, Regent House
9 Crown Square
Poundbury
Dorset
DT1 3DY

The National Funding Scheme

Company Limited by Guarantee

Financial Statements

Year ended 30 September 2024

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The National Funding Scheme

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 September 2024

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 September 2024.

Reference and administrative details

Registered charity name The National Funding Scheme

Charity registration number 1149800

Company registration number 08223187

Principal office and registered office 1 Golden Court
Richmond
Surrey
TW9 1EU

The trustees

G Bagshawe
S Cooper
J Galloway
W Makower
J Park

Independent examiner Mr Stephen J Frost ACA
Unit C, Regent House
9 Crown Square
Poundbury
Dorset
DT1 3DY

The National Funding Scheme

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2024

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 2024, and served throughout the period except where shown.

Trustees

Sam Cooper
Jamie Galloway
Georgina Bagshawe
William Makower
Jun Park

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 (2023 – 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 National Funding Scheme

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2024

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.

Objectives and activities

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.

Achievements and performance

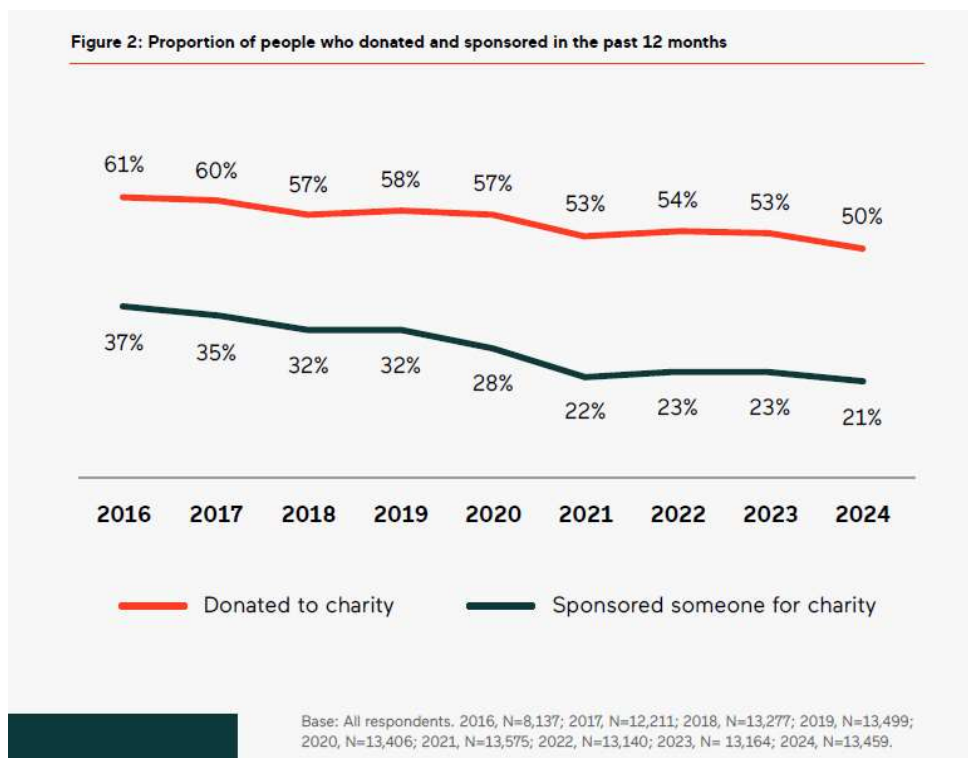
Charities Aid Foundation’s (CAF) UK Giving 2025 Report tells the story of giving in 2024: Charities are now relying on donations from only 50% of people, down from 58% in 2019 — equivalent to approximately four million fewer donors. The report goes on to say that “Sponsorship levels, already on a downward trajectory, appear to have been permanently lowered by the pandemic, following the temporary restrictions on public events. When combining both metrics, 55% of people in the UK gave to charity through donation or sponsorship in the last 12 months.”

The National Funding Scheme

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2024



Source: CAF: UK GIVING REPORT 2025

(<https://www.cafonline.org/docs/default-source/uk-giving->

Against this backdrop National Funding Scheme plays its part in both helping organisation transform to offer digital giving whilst increasing the number and diversity of donors across all geographies and sections of society. We see this work as supporting the benefits of both giving and receiving.

We continue to support charities in their adoption of digital fundraising by educating and explaining the importance of Gift Aid and the significant benefits of encouraging regular donations. We support these areas of education by simplifying how donors can add Gift Aid to both text and web donations as well as offering secure and easy routes to regular donations.

We encourage charities to be effective in telling stories about their work and how individual donations support both restricted and non-restricted areas of expenditure. We provide advice, templates, case studies and links to third party services eg Canva, Relevant Now and other online and free services that will support charities in promoting their impact and work.

We continue to invest in the development of the platform provided under licence by Digital Information and Giving (DIG) Ltd. Together with DIG we continue to improve not only the resilience and security of the DONATE platform but also improve the overall user experience for both organisations and donors.

Whilst many of the improvements are visible, some have been in the back-end to increase security, reduce server loads and improve overall productivity. Specific improvements visible include:

The National Funding Scheme

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2024

Charity administrators

- Additional logging in security using one time passcodes, new security arrangements when changing bank details, leasing of donation codes to improve re-use, general improvements to administration portal

Donors

- Scoping and major re-design of registration and web donation interface including mapping and visual proof of recent donations across text, web and contactless touch points.

During the year over 211 (just under 1 per working day) charitable organisations applied to join DONATE. Many of these were schools, churches and other organisations where digital giving has become an increasingly important part of their generalised giving.

Over the year, total funds raised (including Gift Aid) was £540,613 (2023: £579,071). The slight decrease is disappointing but is caused by the ongoing impact of the cost-of-living crisis and the disproportionate impact this had on generalised low-level giving.

The charity continues though to make a small surplus and constantly keeps its marketing and general overheads under review.

Case study from the year:

Injured Jockeys Fund 2024 auction raising £35,500



Following the life-sustaining injuries suffered by the North Yorkshire-based rider Graham Lee, the Injured Jockeys Fund (IJF) ran a silent auction on the DONATE platform throughout December 2023. Participants were encouraged to participate through both IJF communication, the racing community and social media. Lots were donated across the riding community with retired jockey and IJF President AP McCoy offering a round of golf to raise funds. That lot alone secured £2650 for the cause.

The DONATE™ platform provided the Trust with the service it needed to maximise fundraising. Each lot was shown off to its best effect and bidding was possible on mobiles and iPads as well as desktops. Participants were alerted to being outbid either through online messages, text and email and, where applicable, Gift Aid was added to increase the amount raised. Beyond the auction functionality, additional one-off and regular donations provided opportunities for all to make individual donations.

"With a shortened timetable and lots being offered across the community, we needed not only a flexible platform but a responsive team that would support us in managing the auction and collecting the funds. The DONATE™ team was fantastic and their platform delivered. At the last minute we were given additional lots and their team responded across email and WhatsApp to ensure the auction ran smoothly."

The National Funding Scheme

Company Limited by Guarantee

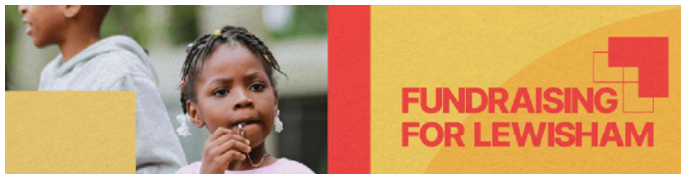
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2024

Providing advice and guidance

Along with providing a range of guidance materials including in-depth case studies for newly joined charitable organisations National

Funding Scheme also speaks at community events promoting digital giving, advising on best-practice, giving hints and tips to fundraisers. Audiences range from those looking to start using digital channels to fundraise to those more experienced and wanting to extend into text raffles and online auctions.



In November we spoke on the main platform at the community fundraising '*Getting Digital for Fundraising*' conference in the Lewisham (London) area. Funded by Lewisham Local, Lewisham Education Arts Network (LEAN) and Catbytes CIC) about 30 organisations attended.

With hugely positive feedback we were then asked to speak at a follow-up online event with over 100 attendees. Our founder's keynote discussed the psychology of giving and a review of the current fundraising landscape. Key delegate takeaways were a review of the types of 3rd party providers, a handy chart comparing the variety of channels available and an open door to providing individual advice if required.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

24 Jun 2025

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Jamie Galloway (Jun 24, 2025, 8:42am)

J Galloway
Trustee

The National Funding Scheme

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The National Funding Scheme *(continued)*

Year ended 30 September 2024

I report to the trustees on my examination of the financial statements of The National Funding Scheme ('the charity') for the year ended 30 September 2024.

Responsibilities and basis of report

As the trustees of the 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 accounts of the 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 the charity's accounts 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.

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 (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

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

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.

Mr Stephen J Frost ACA
Independent Examiner

Unit C, Regent House
9 Crown Square
Poundbury
Dorset
DT1 3DY



24/6/25

The National Funding Scheme

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 September 2024

			2024		2023
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	27,516	509,052	536,568	562,229
Charitable activities	6	36,593	—	36,593	38,635
Investment income	7	1,241	—	1,241	843
Total income		<u>65,350</u>	<u>509,052</u>	<u>574,402</u>	<u>601,707</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	—	—	—	100
Expenditure on charitable activities	9,10	15,663	547,410	563,073	579,243
Total expenditure		<u>15,663</u>	<u>547,410</u>	<u>563,073</u>	<u>579,343</u>
Net income		<u>49,687</u>	<u>(38,358)</u>	<u>11,329</u>	<u>22,364</u>
Transfers between funds		(38,358)	38,358	—	—
Net movement in funds		<u>11,329</u>	<u>—</u>	<u>11,329</u>	<u>22,364</u>
Reconciliation of funds					
Total funds brought forward		(21,610)	—	(21,610)	(43,974)
Total funds carried forward		<u>(10,281)</u>	<u>—</u>	<u>(10,281)</u>	<u>(21,610)</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 10 to 17 form part of these financial statements.

The National Funding Scheme

Company Limited by Guarantee

Statement of Financial Position

30 September 2024

	Note	2024 £	2023 £
Current assets			
Debtors	15	17,715	13,882
Cash at bank and in hand		97,032	144,855
		<u>114,747</u>	<u>158,737</u>
Creditors: amounts falling due within one year	16	125,029	180,347
Net current liabilities		<u>10,282</u>	<u>21,610</u>
Total assets less current liabilities		<u>(10,282)</u>	<u>(21,610)</u>
Net liabilities		<u>(10,282)</u>	<u>(21,610)</u>
Funds of the charity			
Unrestricted funds		(10,281)	(21,610)
Total charity funds	17	<u>(10,281)</u>	<u>(21,610)</u>

For the year ending 30 September 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 24.Jun.2025....., and are signed on behalf of the board by:



Jamie Galloway (Jun 24, 2025, 8:42am)

J Galloway
Trustee

The notes on pages 10 to 17 form part of these financial statements.

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 September 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 1 Golden Court, Richmond, Surrey, TW9 1EU.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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 of a period of one year from the date of approval of these accounts and have considered the impact of all foreseeable factors that might impact on the charity's operation.

The Trustees have considered the financial position of the charity at the date of approval of these financial statements, and also its ongoing income and expenditure. Given the level of expenditure of the charity, a reduction in overheads and their best estimates for projected income, The Trustees have concluded that the charity will be able to meet its financial obligations. Although it is anticipated that no support will be required The Trustees have confirmed that they will provide funds to support the charity's cashflow requirements for a period of at least one year from the date of approval of the financial statements.

The Trustees are confident that the charity will be able to meet its liabilities as they fall due for the foreseeable future and for this reason the financial statements have been prepared in a going concern basis.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

3. Accounting policies *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Software Licence	-	33% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Research and development

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

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.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations	—	509,052	509,052
Other Donations	27,516	—	27,516
	<u>27,516</u>	<u>509,052</u>	<u>536,568</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	—	540,606	540,606
Other Donations	21,501	123	21,623
	<u>21,501</u>	<u>540,729</u>	<u>562,229</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Commission on National Funding Scheme Donations	<u>36,593</u>	<u>36,593</u>	<u>38,635</u>	<u>38,635</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Bank interest receivable	<u>1,241</u>	<u>1,241</u>	<u>843</u>	<u>843</u>

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

8. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Costs of raising donations and legacies - Donations	—	—	100	100

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
National Funding Scheme Donations	1,100	547,410	548,510
Support costs	14,564	—	14,564
	<u>15,664</u>	<u>547,410</u>	<u>563,074</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
National Funding Scheme Donations	13	567,203	567,215
Support costs	12,028	—	12,028
	<u>12,041</u>	<u>567,203</u>	<u>579,243</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
National Funding Scheme Donations	548,510	—	548,510	567,215
Governance costs	—	14,564	14,564	12,028
	<u>548,510</u>	<u>14,564</u>	<u>563,074</u>	<u>579,243</u>

11. Independent examination fees

	2024 £	2023 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,800</u>	<u>1,800</u>

12. Staff costs

The average head count of employees during the year was Nil (2023: Nil).

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

13. Trustee remuneration and expenses

During the period, no expenses were reimbursed to any Trustee (2023 – £nil).

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 (2023 – £nil).

14. Intangible assets

	Developmen t costs £
Cost	
At 1 October 2023 and 30 September 2024	<u>100,000</u>
Amortisation	
At 1 October 2023 and 30 September 2024	<u>100,000</u>
Carrying amount	
At 30 September 2024	<u>–</u>
At 30 September 2023	<u>–</u>

15. Debtors

	2024 £	2023 £
Trade debtors	3,267	2,228
Other debtors	<u>14,448</u>	<u>11,654</u>
	<u>17,715</u>	<u>13,882</u>

16. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	10,160	39,699
Accruals and deferred income	3,443	3,387
Amounts due to affiliates with charitable purpose	108,282	123,317
Other creditors	<u>3,144</u>	<u>13,944</u>
	<u>125,029</u>	<u>180,347</u>

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

17. Analysis of charitable funds

Unrestricted funds

	At 1 October 2023 £	Income £	Expenditure £	Transfers £	At 30 Sept 2024 £
General funds	(21,610)	65,350	(15,664)	(38,358)	(10,281)

	At 1 October 2022 £	Income £	Expenditure £	Transfers £	At 30 Sept 2023 £
General funds	(43,974)	60,979	(12,141)	(26,474)	(21,610)

Restricted funds

	At 1 October 2023 £	Income £	Expenditure £	Transfers £	At 30 Sept 2024 £
National Funding Scheme Donations	—	509,052	(547,410)	38,358	—

	At 1 October 2022 £	Income £	Expenditure £	Transfers £	At 30 Sept 2023 £
National Funding Scheme Donations	—	540,729	(567,203)	26,474	—

18. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2024 £
Current assets	114,747	114,747
Creditors less than 1 year	(125,029)	(125,029)
Net liabilities	(10,282)	(10,282)

	Unrestricted Funds £	Total Funds 2023 £
Current assets	158,737	158,737
Creditors less than 1 year	(180,347)	(180,347)
Net liabilities	(21,610)	(21,610)

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2024

20. Related party disclosures

The Trustees acknowledge the considerable support given by many individuals and organisations.

William Makower is a shareholder director of Digital Innovation and Growth (DIG) Ltd and a serving Trustee of The National Funding Scheme.

- ◆ The charity pays a variable software levy to DIG, in 2024 this amounted to £5,894 (2023: £7,834). In addition, there is an outstanding loan of £3,144 owed to DIG at year end.

Accounts

COMPANY REGISTRATION NUMBER: 08223187
CHARITY REGISTRATION NUMBER: 1149800
COMPANY REGISTERED NUMBER: SCOTLAND: SC045106

The National Funding Scheme
Company Limited by Guarantee
Unaudited Financial Statements
30 September 2023

FROST & COMPANY

Chartered accountants
Unit C, Regent House
9 Crown Square
Poundbury
Dorset
DT1 3DY

The National Funding Scheme

Company Limited by Guarantee

Financial Statements

Year ended 30 September 2023

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The National Funding Scheme

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 30 September 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 September 2023.

Reference and administrative details

Registered charity name The National Funding Scheme

Charity registration number 1149800

Company registration number 08223187

Principal office and registered office 1 Golden Court
Richmond
Surrey
TW9 1EU

The trustees

G Bagshawe
S Cooper
J Galloway
W Makower
J Park

Independent examiner Stephen J Frost ACA
Unit C, Regent House
9 Crown Square
Poundbury
Dorset
DT1 3DY

The National Funding Scheme

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2023

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 2023, and served throughout the period except where shown.

Trustees

Sam Cooper
Jamie Galloway
Georgina Bagshawe
William Makower
Jun Park

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 (2022 – 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

The National Funding Scheme

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2023

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.

Objectives and activities

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.

Achievements and performance

Charities Aid Foundation (CAF) produces an annual report looking at the state of UK Giving. Its [2023 report](#) identifies that whilst overall giving levels have shown a decline over a number of years, they did not deteriorate further during 2023 despite the increased cost of living and a technical recession in the second half of 2023.

Nearly six in ten (58%) of the UK population donated or sponsored a cause in the year and whilst there was an increase of nearly 10% given between 2023 (£13.9 billion) and 2022 (£12.7 billion) this was mainly down to some donors making larger donations, rather than by more people giving to charity. It is within this context that National Funding Scheme exists, to increase the number and diversity of donors across all geographies and sections of society and so support the benefits of both giving and receiving.

Last year we reported the ongoing generosity of the Garfield Weston trust in giving £30,000 to support the redevelopment of the platform whilst also ensuring its ongoing scalability and security. With increasing cyber and data attacks it is essential National Funding Scheme is both fully trusted and reliable.

Whilst many of the improvements are visible, some have been in the back-end to increase security, reduce server loads and improve overall productivity. Specific improvements visible include:

Charity administrators

- A ground-up rebuild of the administration portal with improved functionality when setting up campaigns, raffles and auctions. Dynamic dashboarding, graphing and data downloads of opted-in donors ensure administrators are able to fully self-serve whilst reducing the impact on our staff.

Donors

- A new auction suite has been developed to improve the bidding and payment experience. Bidders can make and increase bids across both web and text following dynamic alerting when outbid.

During the year over 249 charitable organisations applied to join DONATE. Many of these were schools, churches and other organisations where digital giving has become an increasingly important part of their generalised giving.

Year ended 30 September 2023

The National Funding Scheme

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 30 September 2023

Case Study 2 – Foodbank support

National Funding Scheme supports a range of foodbanks and related causes from Bridgewater in Somerset to Edinburgh in Scotland to raise funds for local communities. During the year over £50,000 was raised by foodbanks.

To support foodbanks maximise their fundraising we produced a series of case studies and a specific microsite available at <https://www.nationalfundingscheme.org/foodbanks/>

Since joining DONATE™ in 2019, Canterbury Food bank CIC has raised over £118,000. Whilst they welcome food donations to keep their services running, they also collect money where this isn't possible. 51% of donors opted to add gift aid when making their donation by completing DONATE's enduring Gift Aid declaration. All gift aid is processed by DONATE™ meaning Canterbury Food Bank received 100% of these donations.



Case Study 3 – Fire Brigades Union

National Funding Scheme has wide objects allowing it to support, with Trustee consent, non-charities. Supporting the families of firefighters following the death or injury of a firefighter is one such way in which we can deliver against “the relief of poverty for the public benefit”

Since 2020 sixteen firefighters' families have been supported through comrade fundraising with over £48,000 being raised. Donations are made through both text and web and whilst 56% of all donations are made by web (44% by text), this represents over 83% by value. Of these 72% are Gift Aided whilst just 34% have Gift Added applied if given by text.



Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

28 Jun 2024

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Jamie Galloway (Jun 28, 2024, 8:33am)
J Galloway
Trustee

The National Funding Scheme

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of The National Funding Scheme *(continued)*

Year ended 30 September 2023

I report to the trustees on my examination of the financial statements of The National Funding Scheme ('the charity') for the year ended 30 September 2023.

Responsibilities and basis of report

As the trustees of the charity (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 accounts of the charity 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 the charity's accounts 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.

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 (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102); or
5. the charity is not a going concern and, whilst material uncertainty has been identified it has been adequately addressed and disclosed by The Trustees in the accounts.

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.

Stephen J Frost ACA
Independent Examiner

Unit C, Regent House
9 Crown Square
Poundbury
Dorset DT1 3DY



28th June 2024

The National Funding Scheme

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 30 September 2023

		Unrestricted funds	2023 Restricted funds	Total funds	2022 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	21,501	540,729	562,229	558,604
Charitable activities	6	38,635	–	38,635	50,979
Investment income	7	843	–	843	39
Total income		<u>60,979</u>	<u>540,729</u>	<u>601,707</u>	<u>609,622</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	100	–	100	90
Expenditure on charitable activities	9,10	12,041	567,203	579,243	598,627
Total expenditure		<u>12,141</u>	<u>567,203</u>	<u>579,343</u>	<u>598,717</u>
Net income		<u>48,838</u>	<u>(26,474)</u>	<u>22,364</u>	<u>10,905</u>
Transfers between funds		(26,474)	26,474	–	–
Net movement in funds		<u>22,364</u>	<u>–</u>	<u>22,364</u>	<u>10,905</u>
Reconciliation of funds					
Total funds brought forward		(43,974)	–	(43,974)	(54,879)
Total funds carried forward		<u>(21,610)</u>	<u>–</u>	<u>(21,610)</u>	<u>(43,974)</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 9 to 17 form part of these financial statements.

The National Funding Scheme

Company Limited by Guarantee

Statement of Financial Position

30 September 2023

	Note	2023 £	2022 £
Current assets			
Debtors	16	13,882	7,177
Cash at bank and in hand		144,855	104,179
		<u>158,737</u>	<u>111,356</u>
Creditors: amounts falling due within one year	17	180,347	155,330
Net current liabilities		<u>21,610</u>	<u>43,974</u>
Total assets less current liabilities		<u>(21,610)</u>	<u>(43,974)</u>
Net liabilities		<u>(21,610)</u>	<u>(43,974)</u>
Funds of the charity			
Unrestricted funds		(21,610)	(43,974)
Total charity funds	18	<u>(21,610)</u>	<u>(43,974)</u>

For the year ending 30 September 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 28 Jun 2024, and are signed on behalf of the board by:


J. Galloway (Jun 28, 2024, 8:33am)
Trustee

The notes on pages 9 to 17 form part of these financial statements.

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 September 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 1 Golden Court, Richmond, Surrey, TW9 1EU.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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 of a period of one year from the date of approval of these accounts and have considered the impact of all foreseeable factors that might impact on the charity's operation.

The Trustees have considered the financial position of the charity at the date of approval of these financial statements, and also its ongoing income and expenditure. Given the level of expenditure of the charity, a reduction in overheads and their best estimates for projected income, The Trustees have concluded that the charity will be able to meet its financial obligations. Although it is anticipated that no support will be required The Trustees have confirmed that they will provide funds to support the charity's cashflow requirements for a period of at least one year from the date of approval of the financial statements.

The Trustees are confident that the charity will be able to meet its liabilities as they fall due for the foreseeable future and for this reason the financial statements have been prepared in a going concern basis.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

3. Accounting policies *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Software Licence - 33% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Research and development

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

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.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	–	540,606	540,606
Other Donations	21,501	123	21,623
Grants			
Grants receivable	–	–	–
	<u>21,501</u>	<u>540,729</u>	<u>562,229</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	–	524,454	524,454
Other Donations	4,150	–	4,150
Grants			
Grants receivable	30,000	–	30,000
	<u>34,150</u>	<u>524,454</u>	<u>558,604</u>

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

6. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Commission on National Funding Scheme Donations	38,635	38,635	38,958	38,958
Contactless trial	—	—	500	500
Other	—	—	11,521	11,521
	<u>38,635</u>	<u>38,635</u>	<u>50,979</u>	<u>50,979</u>

7. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest receivable	<u>843</u>	<u>843</u>	<u>39</u>	<u>39</u>

8. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of raising donations and legacies - Donations	<u>100</u>	<u>100</u>	<u>90</u>	<u>90</u>

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
National Funding Scheme Donations	13	567,203	567,215
Support costs	<u>12,028</u>	<u>—</u>	<u>12,028</u>
	<u>12,041</u>	<u>567,203</u>	<u>579,243</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
National Funding Scheme Donations	463	579,074	579,537
Support costs	<u>1,175</u>	<u>17,915</u>	<u>19,090</u>
	<u>1,638</u>	<u>596,989</u>	<u>598,627</u>

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
National Funding Scheme Donations	567,215	–	567,215	579,537
Governance costs	–	12,028	12,028	19,090
	<u>567,215</u>	<u>12,028</u>	<u>579,243</u>	<u>598,627</u>

11. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>–</u>	<u>5,500</u>

12. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,800</u>	<u>–</u>

13. Staff costs

The average head count of employees during the year was Nil (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

14. Trustee remuneration and expenses

During the period, no expenses were reimbursed to any Trustee (2022 – £nil).

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 (2022 – £nil).

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

15. Intangible assets

	Development costs £
Cost	
At 1 October 2022 and 30 September 2023	100,000
Amortisation	
At 1 October 2022 and 30 September 2023	100,000
Carrying amount	
At 30 September 2023	—
At 30 September 2022	—

16. Debtors

	2023 £	2022 £
Trade debtors	2,228	1,484
Other debtors	11,654	5,693
	<u>13,882</u>	<u>7,177</u>

17. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	39,699	10,144
Accruals and deferred income	3,387	9,403
Amounts due to affiliates with charitable purpose	123,317	121,439
Other creditors	13,944	14,344
	<u>180,347</u>	<u>155,330</u>

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

18. Analysis of charitable funds

Unrestricted funds

	At 1 Oct 2022 £	Income £	Expenditure £	Transfers £	At 30 Sept 2023 £
General funds	(43,974)	60,979	(12,141)	(26,474)	(21,610)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	At 1 Oct 2021 £	Income £	Expenditure £	Transfers £	At 30 Sept 2022 £
General funds	(54,879)	85,168	(1,728)	(72,535)	(43,974)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The National Funding Scheme

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 September 2023

18. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Oct 2022 £	Income £	Expenditure £	Transfers £	At 30 Sept 2023 £
National Funding Scheme Donations	—	540,729	(567,203)	26,474	—

	At 1 Oct 2021 £	Income £	Expenditure £	Transfers £	At 30 Sept 2022 £
National Funding Scheme Donations	—	524,454	(596,989)	72,535	—

19. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2023 £
Current assets	158,737	158,737
Creditors less than 1 year	(180,347)	(180,347)
Net liabilities	(21,610)	(21,610)

	Unrestricted Funds £	Total Funds 2022 £
Current assets	111,356	111,356
Creditors less than 1 year	(155,330)	(155,330)
Net liabilities	(43,974)	(43,974)

20. Related party disclosures

The Trustees acknowledge the considerable support given by many individuals and organisations. THC for accountancy work, Panlogic Ltd for technical development and administration support and Digital Innovation and Growth (DIG) Ltd for the core technology and ongoing development of the technology.

William Makower is a shareholder director of Panlogic Ltd and Digital Innovation and Growth (DIG) Ltd and a serving Trustee of The National Funding Scheme.

- ♦ Panlogic Ltd invoiced the charity £NIL during the year (2022 - £20,365).
- ♦ At the year end £NIL (2022 – £NIL) was owed to Panlogic Ltd.
- ♦ The charity pays a variable software levy to DIG, in 2023 this amounted to £7,834 (2022: £4,967). In addition, there is an outstanding loan of £13,944 owed to DIG at year end.

THE NATIONAL FUNDING SCHEME

England & Wales - Charity number 1149800

Accounts

The National Funding Scheme

Annual Report and Financial Statements

30 September 2022

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

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

Reports

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Accounts

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Reference and Administrative Details of the charity, its Trustees and advisors

Trustees	Georgina Bagshawe (appointed 22 March 2022) Sam Cooper Jamie Galloway William Makower Jun Park
Registered office	1 Golden Court Richmond TW9 1EU
Company number	08223187 (England and Wales)
Charity numbers	1149800 (England and Wales) SC045106 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitor	Bates Wells LLP 10 Queen Street Place London EC4R 1BE
Banker	National Westminster Bank Plc 15 Bishopsgate London EC2P 2AP

The Trustees present their report along with the financial statements of The National Funding Scheme ("NFS") for the year to 30 September 2022.

The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 17 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 2022, and served throughout the period except where shown.

Trustees	Appointed/resigned
Sam Cooper	
Jamie Golloway	
Georgina Bagshawe	Appointed 22 March 2022
Bart Leonard	Resigned 6 January 2022
William Makower	
Jun Park	

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 (2021 – none).

Structure, Governance and Management (continued)

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.

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 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

The charity incurred an operational surplus of £16,406 in the year to 30 September 2022 (2021: £1,859).

The year from 1st October 2021 to 30th September 2022 coincided with the end of the various Government mandated Pandemic lockdowns. The Charity Commission's own research (<https://www.gov.uk/government/publications/charity-commission-covid-19-survey-2021>) carried out on the impact of the Pandemic on charities showed that nearly all charities were impacted by the pandemic with over 90% having experienced some negative impact from Covid-19, whether on their service delivery, finances, staff, or indeed on staff morale, resulting from the months of frustration and uncertainty. The majority (60%) saw a loss of income, and a third (32%) said they experienced a shortage of volunteers.

NCVO, in collaboration with Nottingham Trent University and Sheffield Hallam University, produced a series of detailed reports (<http://cpwop.org.uk/respond-recover-reset-report-archive/>) on the impact of the Pandemic on charities.

85% of infrastructure bodies in the sample thought that the level of demand for services and support from infrastructure organisations has increased as a result of the pandemic in the areas such as digital technology, developing and promoting new services, new funding and mobilising volunteers.

National Funding Scheme, as an infrastructure fundraising platform, saw and met this increasing demand both by improving the onboarding processes of the online platform, providing additional human resources to meet the rise in contact enquiries and increasing education across the sector. A key element of this increased education was to develop targeted microsites for specific fundraising sectors. These freely available guides can be viewed at the following links:

- Challenges and Pursuits - <https://www.nationalfundingscheme.org/challenges-and-pursuits/>
- Schools and PTFAs - <https://www.nationalfundingscheme.org/schools-and-ptfas/>
- Animal Rescue - <https://www.nationalfundingscheme.org/animal-rescue-and-welfare/>
- Foodbanks - <https://www.nationalfundingscheme.org/foodbanks/>

Activities and Achievements (continued)

However, the Pandemic also laid bare that the platform, originally built back in 2012, had built up significant technical debt and further development was costing the organisation disproportionate funds to add features and ensure reliability. A grant application was made to the Garfield Weston Foundation to support the redevelopment of the underlying platform and we were delighted to receive a fully funded grant of £30,000 in February 2022 to scope and deliver an improved service. Our thanks to the Trustees of the Garfield Weston Foundation for continuing to support the development of the DONATE platform.

During the year over 309 charities applied to join DONATE. Many of these were schools, churches and other charitable organisations where lockdown made a considerable difference to their fortunes.

Over the year, total funds raised (including Gift Aid) was £551,223 (2021: £940,543). This drop in fundraising was a natural consequence of a worsening economic backdrop prior to the tightening of monetary policy which started in December 2021. The impact of increasing interest rates has a direct and negative impact on available household funds for donations; ironically at a time when the charitable need is increasing.

Three case studies from the year:

Case Study 1 – Charity auction for Tiggy Hancock

A silent auction was the anchor fundraising event during the Turn Cheltenham Yellow for Tiggy event on December 10th 2021. Reaching out to the riding community both in Ireland and the UK, the Tiggy Hancock Trust ran a live and silent auction to raise funds for the Injured Jockeys Fund.

The DONATE™ platform provided the Trust with the service it needed to maximise fundraising. Each lot was shown off to its best effects using imagery and content that underlined the strength of community support.



"We were new to organising a fundraising auction and wanted to find a partner who with similar incentives to us, would provide us with an account managed service and whose technology would ensure that we would raise the maximum amount from our supportive community. The DONATE™ team was fantastic and their platform did everything it said on the tin. We were delighted with the support we received from the moment we decided to use them to the event itself and then the after-event support. We will be back next year."

- Frank Hancock | Tiggy's Father and charity Founder

Case Study 2 – Foodbank support

National Funding Scheme supports a range of foodbanks from Bridgewater in Somerset to Edinburgh in Scotland to raise funds for local communities. As an example Canterbury Foodbank raised over £16,000 during the year.

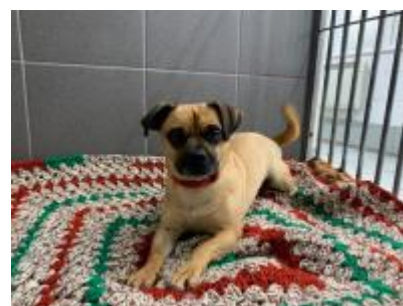
To support foodbanks maximise their fundraising we produced a series of case studies and a specific microsite available at <https://www.nationalfundingscheme.org/foodbanks/>



Since joining DONATE™ in 2019, Canterbury Food bank CIC has raised over £55,000. Whilst they welcome food donations to keep their services running, they also collect money where this is not possible. 58% of donors opted to add Gift Aid when making their donation by completing DONATE's enduring Gift Aid declaration. All Gift Aid is processed by DONATE™ meaning Canterbury Food Bank received 100% of these donations.

Case Study 3 - Dumfries and Galloway Canine Rescue

Dumfries and Galloway Canine Rescue operates a local rescue centre which in 2018 noted its 4000th dog rehomed from their centre. Their digital presence has not only enabled them to extend their reach (rehoming dogs from as far afield as Orkney to Dorset) but also acts as a major fundraising outreach point.



The centre joined DONATE in May 2020 but and since then have received over 400 donations across both web and text. Donations have ranged from £1 to £1000 with the most popular (mode) being £10 and 28 donations being over £100. The flexibility of DONATE, the ease of donors to collect Gift Aid and the simplicity of developing fundraising campaigns to meet emerging needs is central to their reason for working with us.

Activities and Achievements (continued)

Financial report for the period

Results for the period

Total income for the period was £609,622 (2021 – £965,239), consisting of donations and commission earned through the NFS platform, and gifts in kind.

Charitable expenditure on activities in furtherance of the charity's objectives amounted to £593,216 (2021 – £963,380), predominantly comprised of charitable donations, other costs relating to the charity's version of the licensed fundraising platform, and gifts in kind.

The charity incurred an overall surplus of £16,406 (2021 – £1,859) for the year.

Reserves policy

The Trustees are mindful that the target for free reserves should be three months' running costs and work towards this objective on the basis that this timeframe is sufficient to recruit additional volunteers or part time staff to cover unforeseen circumstances without having a material effect on the charity's operations.

Financial position and future plans

At the period end restricted funds were £nil (2021 - £nil) as all restricted funds are paid out to beneficiary charities and unrestricted funds were a deficit of £38,743 (2021 - £54,879).

The worldwide outbreak of the coronavirus pandemic (Covid-19) has caused extensive disruptions to organisations globally with major implications for operations as well finances. Trustees acknowledge and recognise the likely impact of the Covid-19 pandemic on the future operations of the charity, its beneficiaries, partners and stakeholders and on the wider society. At the date of approval of these financial statements, the digital-first charity has been able to work efficiently with staff working from home. However, the trustees continue to closely monitor the availability and scale of resources needed to manage the charity.

The Trustees are 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. 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 Provisions of the Companies Act 2006.



Signed on behalf of the Trustees

Jamie Galloway

Approved by the Board of Trustees on:

21st June 2023

Independent auditor's report to the trustees and members of The National Funding Scheme

Opinion

We have audited the financial statements of The National Funding Scheme (the 'charitable company') for the year ended 30 September 2022 which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 30 September 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- ◆ proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of trustees (continued)

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and those that relate to data protection (General Data Protection Regulation).
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of trustees' meetings and reports from regulatory bodies.
- ◆ Identified laws and regulations were also communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- ◆ agreed financial statement disclosures to underlying supporting documentation;
- ◆ read the minutes of meetings of those charged with governance; and
- ◆ enquired of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date 27 June 2023

Statement of financial activities Year to 30 September 2022

	Notes	Unrestricted £	Restricted £	2022 Total funds £	Unrestricted £	Restricted £	2021 Total funds £
Income							
Donations	1	34,150	524,454	558,604	30,000	847,676	877,676
Charitable activities	2	50,979	—	50,979	87,548	—	87,548
Interest receivable		39	—	39	15	—	15
Total income		85,168	524,454	609,622	117,563	847,676	965,239
Expenditure							
Cost of raising funds	3	90	—	90	—	—	—
Charitable activities	4	1,638	596,989	598,627	7,803	955,577	963,380
Total expenditure		1,728	596,989	598,717	7,803	955,577	963,380
Net (expenditure)/income before transfers		83,440	(72,535)	10,905	109,760	(107,901)	1,859
Transfers between funds	14	(72,535)	72,535	—	(107,901)	107,901	—
Net income and net movement in funds		10,905	—	10,905	1,859	—	1,859
Reconciliation of funds:							
Fund balances brought forward at 1 October 2021		(54,879)	—	(54,879)	(56,738)	—	(56,738)
Fund balances carried forward at 30 September 2022		(43,974)	—	(43,974)	(54,879)	—	(54,879)

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 18 to 23 form part of the financial statements.

Balance sheet at 30 September 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible fixed assets	10		—		—
Current assets					
Debtors	11	7,177		48,079	
Cash at bank and in hand		<u>104,179</u>		<u>106,448</u>	
					154,527
Current liabilities					
Creditors: amounts falling due within one year	12	<u>(140,986)</u>		<u>(192,782)</u>	
Net current liabilities			<u>(29,630)</u>		<u>(38,255)</u>
Creditors: amounts falling due after one year	13		<u>(14,344)</u>		<u>(16,624)</u>
Total net liabilities			<u>(43,974)</u>		<u>(54,879)</u>
The funds of the charity:					
Unrestricted funds			<u>(43,974)</u>		<u>(54,879)</u>
Restricted funds	14		<u>—</u>		<u>—</u>
			<u>(43,974)</u>		<u>(54,879)</u>

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:



Jamie Galloway

Trustee

Approved by the Board of Trustees on: 21 June 2023

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 2022.

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 of a period of one year from the date of approval of these accounts and have considered the impact of the coronavirus pandemic on the charity's operations.

The trustees have considered the financial position of the charity at the date of approval of these financial statements, and also its ongoing income and expenditure. Given the modest expenditure of the charity, a reduction in overheads and our best estimates for projected income the Trustees have concluded that the charity will be able to meet its financial obligations. Although it is anticipated that no such support will be required, a trustee has confirmed that he will provide funds to support the charity's cashflow requirements for a period of at least one year from the date of approval of the financial statements.

Assessment of going concern (continued)

These financial statements have been prepared on a going concern basis. The Trustees are confident that the charity will be able to meet its liabilities as they fall due for the foreseeable future. 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.

Expenditure recognition (continued)

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 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.

1 Donations

	Unrestricted £	Restricted £	2022 Total funds £
National Funding Scheme donations	—	524,454	524,454
Other donations	34,150	—	34,150
2022 Total funds	34,150	524,454	558,604

	Unrestricted £	Restricted £	2021 Total funds £
National Funding Scheme donations	—	847,676	847,676
Gifts in kind (note 15)	30,000	—	30,000
2021 Total funds	30,000	847,676	877,676

2 Income from charitable activities

	Unrestricted £	Restricted £	2022 Total funds £
Commission on National Funding Scheme Donations	38,958	—	38,958
Contactless trial	500	—	500
Other	11,521	—	11,521
2022 - Total funds	50,979	—	50,979

	Unrestricted £	Restricted £	2021 Total funds £
Commission on National Funding Scheme Donations	73,475	—	73,475
Contactless trial	970	—	970
Other	13,103	—	13,103
2021 - Total funds	87,548	—	87,548

3 Cost of raising funds

	Unrestricted £	Restricted £	2022 Total funds £
Costs of raising funds	90	—	90
2022 Total funds	90	—	90

3 Cost of raising funds (continued)

	Unrestricted £	Restricted £	2021 Total funds £
<i>Costs of raising funds</i>	—	—	—
2021 Total funds	—	—	—

4 Charitable activities

	Unrestricted £	Restricted £	2022 Total funds £
Administration	—	20,181	20,181
Marketing	—	9,533	9,533
Transaction costs	—	19,870	19,870
Legal and professional fees	—	18,347	18,347
Support costs (note 7)	—	22,378	22,378
Purchase and rental of contactless units	463	—	463
Charitable donations	—	501,713	501,713
Other	—	4,967	4,967
Governance costs (note 5)	1,175	—	1,175
2022 Total funds	1,638	596,989	598,627

	Unrestricted £	Restricted £	2021 Total funds £
<i>Administration</i>	—	13,200	13,200
<i>Marketing</i>	—	23,220	23,220
<i>Transaction costs</i>	—	23,913	23,913
<i>Legal and professional fees</i>	—	22,311	22,311
<i>Support costs (note 7)</i>	—	28,302	28,302
<i>Purchase and rental of contactless units</i>	3,423	—	3,423
<i>Charitable donations</i>	—	829,886	829,886
<i>Other</i>	—	14,745	14,745
<i>Governance costs (note 5)</i>	4,380	—	4,380
2021 Total funds	7,803	955,577	963,380

5 Governance costs

	Unrestricted £	Restricted £	2022 Total funds £
Audit fees	5,500	—	5,500
Support costs (note 7)	1,175	—	1,175
2022 Total funds	6,675	—	6,675

	Unrestricted £	Restricted £	2021 Total funds £
Audit fees	2,890	—	2,890
Support costs (note 7)	1,490	—	1,490
2021 Total funds	4,380	—	4,380

6 Staff costs

No employees received remuneration in excess of £60,000 during the period (2021 – none).

During the period, the average number of staff was zero (2021 – zero).

During the period, no expenses were reimbursed to any Trustee (2021 – £nil).

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 (2021 – £nil).

7 Support costs

The support costs incurred during the year to 30 September 2022 and the basis of their allocation were as follows:

	Charitable activities £	Governance £	2022 Total £
Insurance	589	31	620
Travel and expenses	9	—	9
Subsistence	46	—	46
Computer and software	21,734	1,144	22,878
	22,378	1,175	23,553

7 Support costs (continued)

	Charitable activities £	Governance £	2021 Total £
Insurance	586	31	617
Travel and expenses	—	—	—
Subsistence	—	—	—
Computer and software	27,715	1,459	29,174
	<u>28,301</u>	<u>1,490</u>	<u>29,791</u>

Any direct costs are charged to the relevant activity. Any indirect costs are allocated to each activity based on the estimated level of usage. Amounts relating to costs of raising funds are immaterial and have been disregarded.

8 Net movement in funds

This is stated after charging:

	2022 Total funds £	2021 Total funds £
Auditor's remuneration:		
. Current year	<u>5,500</u>	<u>2,890</u>

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 £
Cost	
At 30 September 2021 and 30 September 2022	<u>100,000</u>
Amortisation	
At 30 September 2021 and 30 September 2022	<u>100,000</u>
Net book value	
At 30 September 2021 and at 30 September 2022	<u>—</u>

11 Debtors

	2022 £	2021 £
Trade and other debtors	1,484	35,753
VAT Recoverable	1,012	382
Gift aid receivable	4,681	11,944
	7,177	48,079

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	10,144	16,663
Amounts due to affiliates with charitable purpose	121,439	150,812
Accruals	9,403	25,307
	140,986	192,782

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

	2022 £	2021 £
Loan from Digital Information and Giving	14,344	16,624

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 2021 £	Income £	Expenditure £	Transfers £	At 30 September 2022 £
National Funding Scheme donations	—	524,454	(501,713)	(22,741)	—
	—	524,454	(501,713)	(22,741)	—

	At 30 September 2020 £	Income £	Expenditure £	Transfers £	At 30 September 2021 £
National Funding Scheme donations	—	847,676	(955,577)	107,901	—
	—	847,676	(955,577)	107,901	—

15 Related party disclosures

The Trustees acknowledge the considerable support given by many individuals and organisations. Specifically Bates Wells LLP for legal work, Panlogic Ltd for technical development and administration support and Digital Innovation and Growth (DIG) Ltd for the core technology, ongoing development of the technology, technical hosting and maintenance.

William Makower is a shareholder director of Panlogic Ltd and Digital Innovation and Growth (DIG) Ltd and a serving Trustee of The National Funding Scheme.

- ◆ Panlogic Ltd invoiced the charity £20,365 during the year (2021 - £12,300) to cover variable staffing requirements.
- ◆ At the year end £nil (2021 – £7,000) was owed to Panlogic Ltd.
- ◆ The charity pays a variable software levy to DIG, in 2022 this amounted to £4,967 (2021: £14,774). £801 was owed to DIG at year end.

Accounts

The National Funding Scheme

Annual Report and Unaudited Financial Statements

30 September 2021

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

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

Reports

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Reference and Administrative Details of the charity, its Trustees and advisors

Trustees	Sam Cooper Jamie Galloway William Makower Jun Park
Registered office	Marcar House 13 Parkshot Richmond TW9 2RG
Company number	08223187 (England and Wales)
Charity numbers	1149800 (England and Wales) SC045106 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitor	Bates Wells LLP 10 Queen Street Place London EC4R 1BE
Banker	National Westminster Bank Plc 15 Bishopsgate London EC2P 2AP

The Trustees present their report along with the financial statements of The National Funding Scheme ("NFS") for the year to 30 September 2021.

The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 17 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 2021, and served throughout the period except where shown.

Trustees	Appointed/resigned
Sam Cooper Jamie Golloway	Appointed 25 January 2021
Bart Leonard William Makower Jun Park	Resigned 6 January 2022

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 (2020 – none).

Structure, Governance and Management (continued)

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.

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 2020/21 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

The charity incurred an operational surplus of £1,859 in the year to 30 September 2021 (2020: deficit of £14,199).

The year from 1st October 2020 to 30th September 2021 has seen significant change for the charity. The year from 1st October 2020 to 30th September 2021 coincided with the ravages on charity finances during the pandemic. The Charity Commission's own research (<https://www.gov.uk/government/publications/charity-commission-covid-19-survey-2021>) carried out on the impact of the pandemic on charities showed that nearly all charities were impacted by the pandemic with over 90% having experienced some negative impact from Covid-19, whether on their service delivery, finances, staff, or indeed on staff morale, resulting from the months of frustration and uncertainty. The majority (60%) saw a loss of income, and a third (32%) said they experienced a shortage of volunteers.

Further six out of ten of the charities surveyed saw their income fall as a result of Covid-19, while 57% were forced to cancel events or planned work. Charities also worried about the ongoing financial impact of the pandemic, with 62% saying that they “anticipate a threat to their charity's financial viability” during the next year. The findings were based on polling of 1,966 charities which was conducted in July and August 2021.

Against this backdrop, National Funding Scheme's DONATE platform was for many a life-saver with a move to online events ranging from virtual dog-shows to online auctions, school raffles and numerous campaigns reaching out to supporters. In many cases, DONATE became not only their main source of income but led to a change in behaviour with online fundraising moving from an additional fundraising channel to their main channel. We were delighted to see charities invest more resources to online channels; a trend that has remained since the lifting of restrictions.

During the year over 579 charities applied to join DONATE with over 60% being accepted (2020: 56%). Many of these were schools, churches and other charitable organisations where lockdown made a considerable difference to their fortunes.

Over the year, total funds raised (including Gift Aid) was £940,544 (2020: £1,159,925)

At the same time we increased our knowledge sharing, advisory services and outreach as part of our charitable status. Our account and customer-success manager continued to develop case studies, regular bulletins, e-newsletters as well as developing a number of online webinars and online events. Trustees continued to engage with fundraisers and

Activities and Achievements (continued)

charities providing not only fundraising advice but also mentoring younger fundraisers over a number of months.

The technology platform continued to be developed. Additional features were added to improve how charities manage their campaigns. Additionally, as legislation and best-practice fundraising approaches were developed by the industry so these were incorporated into the platform. Likewise, additional capacity and productivity was achieved through redesigning and architecting the platform's hosting provision with Amazon Web Services (AWS).

Three case studies from the year:

Case Study 1 - Switch to digital fundraising at a time where services are being streamed online too

St Andrew's Church in Enfield, North London, Grade II listed church has recently gone digital with their fundraising, using text giving to support its work, which in 2019 cost £4,400 a week to undertake. During lockdown the parish has been streaming worship services. Rev Dr Steve Griffiths has found it easy to make the switch to digital fundraising at a time where services are being streamed online too;

"With lockdown and social distancing, we began to stream our services on Facebook to bring our services to all. Using text giving alongside our virtual masses has encouraged donations from young and old to support the parish which also supports the local community. Digital fundraising has been a blessing"

Case Study 2 – Raising funds for a local children's charity

The 50 lots were donated by local businesses to the Children's charity Packed With Smiles text raffle to support their work, coinciding with World Children's Day.

Elle Beadle, Chair of Trustees, says: "Our marketing concept was no tickets, no cash, no hassle. A ticket free raffle that didn't involve cash immediately caught people's attention.

"The text raffle means that the charity is able to raise funds, increase our profile, give something back to our business community and continue our work of supporting families facing financial hardship, by supplying new school uniform parcels and other school essentials, so that children can fully participate in school. We have a dream that all children are given the opportunity to attend school feeling equal, confident and ready to create their own future and the pandemic won't stop us."



Case Study 3 - Big Issue North switch during trying times

Big Issue North made the difficult decision to cease sale of the magazine on the street for the safety of vendors and customers. This may last for weeks or even months, which means a disaster to people who rely on selling Big Issue North to earn an income. To help support the vulnerable group – many of whom are homeless – Big Issue North set up an official hardship fund, which “allows us to swiftly help homeless vendors into accommodation, as well as paying for vendors’ rent, bills and shopping in the event that they are unable to access a foodbank, or that rent and bills that are not frozen by the government”. Big Issue North worked with local publications, supporters and their wider networks to encourage donations across both text and web.

“We chose the DONATE platform because we liked both its flexibility and ease of use so that we can manage our campaigns and offer both text and web giving through a single platform. We’ve found the team behind it really helpful and have in the last few weeks raised nearly £15,000.”

Financial report for the period

Results for the period

Total income for the period was £998,572 (2020 – £1,193,893), consisting of donations and commission earned through the NFS platform, and gifts in kind.

Charitable expenditure on activities in furtherance of the charity’s objectives amounted to £996,713 (2020 – £1,208,035), 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 £996,713 (2020 – £1,208,092).

The charity incurred an overall surplus of £1,859 (2020 – deficit of £14,199) for the year. Panlogic Ltd, under the control of Mr Makower, continues 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 on the basis that this timeframe is sufficient to recruit additional volunteers or part time staff to cover unforeseen circumstances without having a material effect on the charity's operations.

Financial position and future plans

At the period end restricted funds were £nil (2020 - £nil) as all restricted funds are paid out to beneficiary charities and unrestricted funds were a deficit of £54,879 (2020 - £56,738).

The worldwide outbreak of the coronavirus pandemic (Covid-19) has caused extensive disruptions to organisations globally with major implications for operations as well finances. Trustees acknowledge and recognise the likely impact of the Covid-19 pandemic on the future operations of the charity, its beneficiaries, partners and stakeholders and on the wider society. At the date of approval of these financial statements, the digital-first charity has been able to work efficiently with staff working from home. However, the trustees continue to closely monitor the availability and scale of resources needed to manage the charity.

The Trustees are 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. 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 Provisions of the Companies Act 2006.



Jamie Galloway

Signed on behalf of the Trustees

Approved by the Board of Trustees on: 27th June 2022

Independent auditor's report to the trustees and members of The National Funding Scheme

Opinion

We have audited the financial statements of The National Funding Scheme (the 'charitable company') for the year ended 30 September 2021 which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- ◆ proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Other matter

The prior year comparatives are unaudited. As part of our audit work for the year ended 30 September 2021, we have reviewed balances with regards to cash, intangible fixed assets and current assets and liabilities, brought forward at 1 October 2019. No issues were noted.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of trustees (continued)

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation).
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of trustees' meetings and reports from regulatory bodies.
- ◆ Identified laws and regulations were also communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- ◆ agreed financial statement disclosures to underlying supporting documentation;
- ◆ read the minutes of meetings of those charged with governance; and
- ◆ enquired of management as to actual and potential litigation and claims.

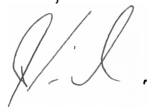
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date 29/6/22

Statement of financial activities Year to 30 September 2021

	Notes	Unrestricted £	Restricted £	2021 Total funds £	Unrestricted £	Restricted £	2020 Total funds £
Income							
Donations	1	30,000	847,676	877,676	—	1,067,765	1,067,765
Charitable activities	2	87,548	—	87,548	126,020	—	126,020
Interest receivable		15	—	15	108	—	108
Total income		117,563	847,676	965,239	126,128	1,067,765	1,193,893
Expenditure							
Cost of raising funds	3	—	—	—	57	—	57
Charitable activities	4	7,803	955,577	963,380	4,135	1,203,900	1,208,035
Total expenditure		7,803	955,577	963,380	4,192	1,203,900	1,208,092
Net income (expenditure) before transfers		109,760	(107,901)	1,859	121,936	(136,135)	(14,199)
Transfers between funds	14	(107,901)	107,901	—	(136,135)	136,135	—
Net expenditure and net movement in funds		1,859	—	1,859	(14,199)	—	(14,199)
Reconciliation of funds:							
Fund balances brought forward at 1 October 2020		(56,738)	—	(56,738)	(42,539)	—	(42,539)
Fund balances carried forward at 30 September 2021		(54,879)	—	(54,879)	(56,738)	—	(56,738)

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 18 to 23 form part of the financial statements.

Balance sheet at 30 September 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible fixed assets	10	—		—	
Current assets					
Debtors	11	48,079		27,081	
Cash at bank and in hand		106,448		492,421	
			154,527		519,502
Current liabilities					
Creditors: amounts falling due within one year	12	(192,782)		(529,616)	
Net current (liabilities)/assets			(38,255)		(10,114)
Creditors: amounts falling due after one year	13		(16,624)		(46,624)
Total net liabilities			(54,879)		(56,738)
The funds of the charity:					
Unrestricted funds			(54,879)		(56,738)
Restricted funds	14		—		—
			(54,879)		(56,738)

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:



Jamie Galloway

Trustee

Approved by the Board of Trustees on: 27th June 2022

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 2021.

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 of a period of one year from the date of approval of these accounts and have considered the impact of the coronavirus pandemic on the charity's operations.

The trustees have considered the financial position of the charity at the date of approval of these financial statements, and also its ongoing income and expenditure. Given the modest expenditure of the charity, a reduction in overheads and our best estimates for projected income the Trustees have concluded that the charity will be able to meet its financial obligations. Additionally, and since closing the 2022 accounts, National Funding Scheme received £30,000 from a benefactor. Although it is anticipated that no such support will be required, a trustee has confirmed that he will provide funds to support the charity's cashflow requirements for a period of at least one year from the date of approval of the financial statements.

These financial statements have been prepared on a going concern basis. The Trustees are confident that the charity will be able to meet its liabilities as they fall due for the foreseeable future. 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 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.

1 Donations

	Unrestricted £	Restricted £	2021 Total funds £
National Funding Scheme donations	—	847,676	847,676
Other donations	30,000	—	30,000
2021 Total funds	30,000	847,676	877,676

	Unrestricted £	Restricted £	2020 Total funds £
National Funding Scheme donations	—	1,034,432	1,034,432
Gifts in kind (note 15)	—	33,333	33,333
2020 Total funds	—	1,067,765	1,067,765

2 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total funds £
Commission on National Funding Scheme Donations	73,475	—	73,475
Contactless trial	970	—	970
Other	13,103	—	13,103
2021 - Total funds	87,548	—	87,548

	Unrestricted £	Restricted £	2020 Total funds £
Commission on National Funding Scheme Donations	111,373	—	111,373
Contactless trial	3,504	—	3,504
Other	11,143	—	11,143
2020 - Total funds	126,020	—	126,020

3 Cost of raising funds

	Unrestricted £	Restricted £	2021 Total funds £
Costs of raising funds	—	—	—
2021 Total funds	—	—	—

3 Cost of raising funds (continued)

	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>2020 Total funds £</i>
<i>Costs of raising funds</i>	<i>57</i>	<i>—</i>	<i>57</i>
2020 Total funds	57	—	57

4 Charitable activities

	<i>Unrestricted £</i>	<i>Restricted £</i>	2021 Total funds £
Administration	—	13,200	13,200
Marketing	—	23,220	23,220
Transaction costs	—	23,913	23,913
Legal and professional fees	—	22,311	22,311
Support costs (note 7)	—	28,302	28,302
Purchase and rental of contactless units	3,423	—	3,423
Charitable donations	—	829,886	829,886
Other	—	14,745	14,745
Governance costs (note 5)	4,380	—	4,380
2021 Total funds	7,803	955,577	963,380

	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>2020 Total funds £</i>
<i>Administration</i>	<i>—</i>	<i>8,964</i>	<i>8,964</i>
<i>Resourcing contractors and hosting</i>	<i>—</i>	<i>33,333</i>	<i>33,333</i>
<i>Marketing</i>	<i>—</i>	<i>10,673</i>	<i>10,673</i>
<i>Transaction costs</i>	<i>—</i>	<i>23,129</i>	<i>23,129</i>
<i>Legal and professional fees</i>	<i>—</i>	<i>27,203</i>	<i>27,203</i>
<i>Support costs (note 7)</i>	<i>—</i>	<i>7,608</i>	<i>7,608</i>
<i>Purchase and rental of contactless units</i>	<i>785</i>	<i>—</i>	<i>785</i>
<i>Charitable donations</i>	<i>—</i>	<i>1,073,747</i>	<i>1,073,747</i>
<i>Other</i>	<i>—</i>	<i>19,243</i>	<i>19,243</i>
<i>Governance costs (note 5)</i>	<i>3,350</i>	<i>—</i>	<i>3,350</i>
2020 Total funds	4,135	1,203,900	1,208,035

5 Governance costs

	Unrestricted £	Restricted £	2021 Total funds £
Audit fees	2,890	—	2,890
Support costs (note 7)	1,490	—	1,490
2021 Total funds	4,380	—	4,380

	Unrestricted £	Restricted £	2020 Total funds £
Audit fees	2,950	—	2,950
Support costs (note 7)	400	—	400
2020 Total funds	3,350	—	3,350

6 Staff costs

No employees received remuneration in excess of £60,000 during the period (2020 – none).

During the period, the average number of staff was zero (2020 – zero).

During the period, no expenses were reimbursed to any Trustee (2020 – £nil).

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 (2020 – £nil).

7 Support costs

The support costs incurred during the year to 30 September 2020 and the basis of their allocation were as follows:

	Charitable activities £	Governance £	2021 Total £
Insurance	586	31	617
Computer and software	27,715	1,459	29,174
	28,301	1,490	29,791

7 Support costs (continued)

	Charitable activities £	Governance £	2020 Total £
Insurance	531	28	559
Travel and expenses	47	2	49
Telephone	5	—	5
Subsistence	18	1	19
Computer and software	7,007	369	7,376
	7,608	400	8,008

Any direct costs are charged to the relevant activity. Any indirect costs are allocated to each activity based on the estimated level of usage. Amounts relating to costs of raising funds are immaterial and have been disregarded.

8 Net movement in funds

This is stated after charging:

	2021 Total funds £	2020 Total funds £
Auditor's remuneration:		
. current year	2,890	2,950

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 £
Cost	
At 30 September 2020 and 30 September 2021	100,000
Amortisation	
At 30 September 2020 and 30 September 2021	100,000
Net book value	
At 30 September 2020 and at 30 September 2021	—

11 Debtors

	2021 £	2020 £
Trade and other debtors	35,753	9,163
VAT Recoverable	382	698
Gift aid receivable	11,944	17,220
	48,079	27,081

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	16,663	12,324
Amounts due to affiliates with charitable purpose	150,812	506,730
Accruals	25,307	10,562
	192,782	529,616

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

	2021 £	2020 £
Trade creditors	16,624	46,624

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 2020 £	Income £	Expenditure £	Transfers £	At 30 September 2021 £
National Funding Scheme donations	—	847,676	(955,577)	107,901	—
	—	847,676	(955,577)	107,901	—

	At 30 September 2019 £	Income £	Expenditure £	Transfers £	At 30 September 2020 £
National Funding Scheme donations	—	1,034,432	(1,170,567)	136,135	—
Gifts in kind	—	33,333	(33,333)	—	—
	—	1,067,765	(1,203,900)	136,135	—

15 Related party disclosures

The Trustees acknowledge the considerable support given by many individuals and organisations. Specifically Bates Wells LLP for legal work, Panlogic Ltd for technical development and administration support and Digital Innovation and Growth (DIG) Ltd for the core technology, ongoing development of the technology, technical hosting and maintenance.

William Makower is a shareholder director of Panlogic Ltd and Digital Innovation and Growth (DIG) Ltd and a serving Trustee of The National Funding Scheme.

- ◆ Panlogic Ltd invoiced the charity £12,300 during the year (2020 - £11,597) to cover variable staffing requirements.
- ◆ At the year end £7,000 (2020 – £nil) was owed to Panlogic Ltd.
- ◆ The charity pays a variable software levy to DIG, in 2021 this amounted to £14,774 (2020: £19,242). £16,624 was owed to DIG at year end.

Accounts

The National Funding Scheme

Annual Report and Unaudited Financial Statements

30 September 2020

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

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

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Reference and Administrative Details of the charity, its Trustees and advisors

Trustees	Jamie Galloway Stephen Grey (resigned 29 February 2020) Bart Leonard William Makower Jun Park (appointed 19 February 2020)
Registered office	Marcar House 13 Parkshot Richmond TW9 2RG
Company number	08223187 (England and Wales)
Charity numbers	1149800 (England and Wales) SC045106 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitor	Bates Wells LLP 10 Queen Street Place London EC4R 1BE
Banker	National Westminster Bank Plc 15 Bishopsgate London EC2P 2AP

The Trustees present their report along with the financial statements of The National Funding Scheme ("NFS") for the year to 30 September 2020.

The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 17 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 2020, and served throughout the period except where shown.

Trustees	Appointed/resigned
Jamie Golloway	
Stephen Grey	Resigned 29 February 2020
Bart Leonard	
William Makower	
Jun Park	Appointed 19 February 2020

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 (2019 – none).

Structure, Governance and Management (continued)

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.

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 2019/20 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

The charity incurred an operational deficit of £14,199 in the year to 30 September 2020 (2019: deficit of £2,000). The year from 1st October 2019 to 30th September 2020 has seen significant change for the charity. Even before the first national lockdown on 23rd March 2020 we were seeing a 2.57x increase in donations over the first five months of our accounting year. Then, from 23rd March 2020 with charities no longer able to fundraise face-face, grant-making bodies all but closed to ad-hoc grants (as they looked to support the national effort) and local Government staff slow to respond to changing working conditions, we saw a dramatic shift. Charities, using adversity as a cause for change, looked to online individual and community-led fundraising as a means to fill the hole from these other forms of fundraising.

During the year, 757 charitable organisations joined DONATE (2019: 598); an increase of 27%. Many of these were schools, churches and other charitable organisations where lockdown made a considerable difference to their fortunes. Amongst these were also major fundraising organisations who had either previously struggled to make the case to change to digital fundraising or saw opportunities to try new channels. Over the year total fundraising grew 530% to over a £1 million in giving. To put this in context it took National Funding Scheme seven years to raise its first £1 million for good causes, 16 months to raise its second £1 million and 10 months to raise its third £1 million. Whilst it would be nice to feel this trend will continue, we imagine the rate of growth will fall away again once lockdowns ease.

At the same time we increased our knowledge sharing, advisory services and outreach as part of our charitable status. During the year we hired a public relations firm to both make our services better known but also develop an ongoing relationship with a number of publishers. We continue to write a bi-monthly column in the Fundraiser Magazine to provide insight and comment as well as continuing to build our bank of case-studies, a regular blog and summary of what makes for successful digital fundraising.

We also hired an account and customer-success manager who contacts all new joining organisations to showcase best-practice and support their fundraising. This also provides us with an opportunity to better understand the needs of certain sectors and so reach out to others who are already using the platform.

Activities and Achievements (continued)

To support this increased activity we brought in additional support for our admin function whilst also keeping a close eye on costs by continuing to improve the self-serve nature of the platform.

Key to building capacity has been a move to direct settlements each month (rather than by cheque). Whilst cheques had become increasingly cumbersome as the number of partner charities grew, they became impossible to manage as the first lockdown took hold. The increased streamlining brought by direct payments has been of immediate benefit to the administration of our workload.

Three case studies from the year:

Case study 1 – Moving to online fundraising

Paxton House is a Borderlands country house, donated to the nation 'for their benefit and enjoyment' but was facing the loss of 90% of its income during the first national lockdown. Paxton House, entirely dependent on visitor revenue, developed a national emergency campaign to ensure reopening. £10,350 was raised.

"We've been blown away by the generosity of our friends and visitors. DONATE™ has opened up new and worldwide connections and opportunities for us."

- Frances Reid | The Paxton House

Case study 2 - Online auction to feed our NHS

The "Food 4 Heroes Epic Auction" raised funds so deliveries of healthy and nutritious meals to overstretched front line NHS staff across England could continue. Gifted items and experiences raised over £31,700.

"Without DONATE's help we would not have been able to continue feeding our NHS staff for as long as we have been able to. The auction was a great success and was straightforward for us and our supporters to use".

John Brownhill | Co Founder

Activities and Achievements (continued)

Case study 3 - Record breaking text fundraiser

The Ruth Strauss Foundation used DONATE to raise funds at the closed Test Match between England and West Indies on 25th July.

Despite being played behind closed doors SKY's broadcast of the England v West Indies test match at Old Trafford sent text donations out of the ground. Promotion of the £20 text channel was primarily through match day announcements, stadia on-screen media and celebrity interviews. A record breaking £259,355 was raised with Gift Aid adding a further £30,168 to bring the total raised to just under £300,000.



Financial report for the period

Results for the period

Total income for the period was £1,193,893 (2019 – £331,089), consisting of donations and commission earned through the NFS platform, and gifts in kind.

Charitable expenditure on activities in furtherance of the charity's objectives amounted to £1,208,035 (2019 – £333,089), 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 £1,208,092 (2019 – £333,089).

The charity incurred an overall deficit of £14,199 (2019 – deficit of £2,000) for the year.

Activities and Achievements (continued)

Results for the period (continued)

Panlogic Ltd which, under the control of Mr Makower, continues 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 on the basis that this timeframe is sufficient to recruit additional volunteers or part time staff to cover unforeseen circumstances without having a material effect on the charity's operations.

Financial position and future plans

At the period end restricted funds were £nil (2019 - £nil) as all restricted funds are paid out to beneficiary charities and unrestricted funds were a deficit of £56,738 (2019 - £42,539).

The worldwide outbreak of the coronavirus pandemic (Covid-19) has caused extensive disruptions to organisations globally with major implications for operations as well finances. Trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the future operations of the charity, its beneficiaries, partners and stakeholders and on the wider society. At the date of approval of these financial statements, the digital-first charity has been able to work efficiently with staff working from home and the pandemic has had a positive impact on the charity's income, due to the shift to digital fundraising. However, the trustees are closely monitoring the impact of COVID-19 on the charity.

The Trustees are 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. The Trustees, therefore, believe it is appropriate for the accounts to be prepared on a going concern basis.

Subject to income levels and affordability, the Trustees intend to continue their policy of repaying all loans to creditors.

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



Bart Leonard
Signed on behalf of the Trustees

Approved by the Board of Trustees on: 29 June 2021

Independent auditor's report to the trustees and members of The National Funding Scheme

Opinion

We have audited the financial statements of The National Funding Scheme (the 'charitable company') for the year ended 30 September 2020 which comprise the statement of financial activities, the balance sheet, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not

Other information (continued)

cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- ◆ proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Other matter

The prior year comparatives are unaudited. As part of our audit work for the year ended 30 September 2020, we have reviewed balances with regards to cash, intangible fixed assets and current assets and liabilities, brought forward at 1 October 2019. No issues were noted.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to data protection (General Data Protection Regulation).
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the minutes of trustees' meetings and reports from regulatory bodies.
- ◆ Identified laws and regulations were also communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged

fraud; and

- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- ◆ agreed financial statement disclosures to underlying supporting documentation;
- ◆ read the minutes of meetings of those charged with governance; and
- ◆ enquired of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date 29 June 2021

Statement of financial activities Year to 30 September 2020

	Notes	Unrestricted £	Restricted £	2020 Total funds £	Unrestricted £	Restricted £	2019 Total funds £
Income							
Donations	1	—	1,067,765	1,067,765	—	296,616	296,616
Charitable activities	2	126,020	—	126,020	34,462	—	34,462
Interest receivable		108	—	108	11	—	11
Total income		126,128	1,067,765	1,193,893	34,473	296,616	331,089
Expenditure							
Cost of raising funds	3	57	—	57	—	—	—
Charitable activities	4	4,135	1,203,900	1,208,035	10,086	323,003	333,089
Total expenditure		4,192	1,203,900	1,208,092	10,086	323,003	333,089
Net income (expenditure) before transfers		121,936	(136,135)	(14,199)	24,387	(26,387)	(2,000)
Transfers between funds	14	(136,135)	136,135	—	(26,387)	26,387	—
Net expenditure and net movement in funds		(14,199)	—	(14,199)	(2,000)	—	(2,000)
Reconciliation of funds:							
Fund balances brought forward at 1 October 2019		(42,539)	—	(42,539)	(40,539)	—	(40,539)
Fund balances carried forward at 30 September 2020		(56,738)	—	(56,738)	(42,539)	—	(42,539)

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 18 to 21 form part of the financial statements.

Balance sheet at 30 September 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible fixed assets	10	—		—	
Current assets					
Debtors	11	27,081		22,335	
Cash at bank and in hand		492,421		84,215	
			519,502		106,550
Current liabilities					
Creditors: amounts falling due within one year	12	(529,616)		(105,358)	
Net current (liabilities)/assets			(10,114)		1,192
Creditors: amounts falling due after one year	13		(46,624)		(43,731)
Total net liabilities			(56,738)		(42,539)
The funds of the charity:					
Unrestricted funds			(56,738)		(42,539)
Restricted funds	14		—		—
			(56,738)		(42,539)

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 Bart Leonard

Approved by the Board of Trustees on: 29 June 2021

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 2020.

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.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, suppliers, beneficiaries and the wider economy. At the date of approval of these financial statements, the pandemic has had a positive impact on the charity's income, due to the shift to digital fundraising. However, the trustees are closely monitoring the impact of COVID-19 on the charity.

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 of a period of one year from the date of approval of these accounts and have considered the impact of the coronavirus pandemic on the charity's operations.

These financial statements have been prepared on a going concern basis. The Trustees are confident that the charity will be able to meet its liabilities as they fall due for the foreseeable future. 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.

1 Donations

	Unrestricted £	Restricted £	2020 Total funds £
National Funding Scheme donations	—	1,034,432	1,034,432
Gifts in kind (note 15)	—	33,333	33,333
2020 Total funds	—	1,067,765	1,067,765
			2019 Total funds £
	Unrestricted £	Restricted £	
National Funding Scheme donations	—	167,234	167,234
Gifts in kind (note 15)	—	129,382	129,382
2019 Total funds	—	296,616	296,616

2 Income from charitable activities

	Unrestricted £	Restricted £	2020 Total funds £
Commission on National Funding Scheme Donations	111,373	—	111,373
Contactless trial	3,504	—	3,504
Other	11,143	—	11,143
2020 -Total funds	126,020	—	126,020
			2019 Total funds £
	Unrestricted £	Restricted £	
Commission on National Funding Scheme Donations	19,819	—	19,819
Contactless trial	10,236	—	10,236
Other	4,407	—	4,407
2019 Total funds	34,462	—	34,462

3 Cost of raising funds

	Unrestricted £	Restricted £	2020 Total funds £
Costs of raising funds	57	—	57
2020 Total funds	57	—	57

3 Cost of raising funds (continued)

	Unrestricted £	Restricted £	2019 Total funds £
<i>Costs of raising funds</i>	—	—	—
2019 Total funds	—	—	—

4 Charitable activities

	Unrestricted £	Restricted £	2020 Total funds £
Consultancy fees	—	8,964	8,964
Resourcing contractors and hosting	—	33,333	33,333
Marketing	—	10,673	10,673
Transaction costs	—	23,129	23,129
Legal and professional fees	—	27,203	27,203
Support costs (note 7)	—	7,608	7,608
Purchase and rental of contactless units	785	—	785
Charitable donations	—	1,073,747	1,073,747
Other	—	19,243	19,243
Governance costs (note 5)	3,350	—	3,350
2020 Total funds	4,135	1,203,900	1,208,035

	Unrestricted £	Restricted £	2019 Total funds £
<i>Consultancy fees</i>	—	85	85
<i>Resourcing contractors and hosting</i>	—	129,382	129,382
<i>Marketing</i>	—	11,282	11,282
<i>Transaction costs</i>	—	11,799	11,799
<i>Legal and professional fees</i>	—	1,800	1,800
<i>Support costs (note 7)</i>	—	4,161	4,161
<i>Purchase and rental of contactless units</i>	6,767	—	6,767
<i>Charitable donations</i>	—	164,300	164,300
<i>Events</i>	—	194	194
<i>Governance costs (note 5)</i>	3,319	—	3,319
2019 Total funds	10,086	323,003	333,089

5 Governance costs

	Unrestricted £	Restricted £	2020 Total funds £
Audit fees	2,950	—	2,950
Support costs (note 7)	400	—	400
2020 Total funds	3,350	—	3,350

	Unrestricted £	Restricted £	2019 Total funds £
Independent examination fees	3,100	—	3,100
Support costs (note 7)	219	—	219
2019 Total funds	3,319	—	3,319

6 Staff costs

No employees received remuneration in excess of £60,000 during the period (2019 – none).

During the period, the average number of staff was zero (2019 – zero).

During the period, no expenses were reimbursed to any Trustee (2019 – £nil).

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 (2019 – £nil).

7 Support costs

The support costs incurred during the year to 30 September 2020 and the basis of their allocation were as follows:

	Charitable activities £	Governance £	2020 Total £
Insurance	531	28	559
Travel and expenses	47	2	49
Telephone	5	—	5
Subsistence	18	1	19
Computer and software	7,007	369	7,376
	7,608	400	8,008

	Charitable activities £	Governance £	2019 Total £
Insurance	461	24	485
Travel and expenses	672	35	707
Recruitment expenses	48	3	51
Computer and software	2,980	157	3,137
	4,161	219	4,380

Any direct costs are charged to the relevant activity. Any indirect costs are allocated to each activity based on the estimated level of usage. Amounts relating to costs of raising funds are immaterial and have been disregarded.

8 Net movement in funds

This is stated after charging:

	2020 Total funds £	2019 Total funds £
Auditor's remuneration:		
. current year	2,950	3,100

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 £
Cost	
At 30 September 2019 and 30 September 2020	100,000
Amortisation	
At 30 September 2019 and 30 September 2020	100,000
Net book value	
At 30 September 2019 and at 30 September 2020	—

11 Debtors

	2020 £	2019 £
Trade and other debtors	9,163	6,068
Prepayments	—	9,140
VAT Recoverable	698	234
Gift aid receivable	17,220	6,893
	27,081	22,335

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	12,324	7,528
Loan from Digital Innovation and Growth (DIG) Ltd	—	10,631
Amounts due to affiliates with charitable purpose	506,730	54,549
Accruals	10,562	2,650
Loan from Levy/Anderson/Ruddock	—	30,000
	529,616	105,358

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

	2020 £	2019 £
Trade creditors	46,624	43,731

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 2019 £	Income £	Expenditure £	Transfers £	At 30 September 2020 £
National Funding Scheme donations	—	1,034,432	(1,170,567)	136,135	—
Gifts in kind	—	33,333	(33,333)	—	—
	—	1,067,765	(1,203,900)	136,135	—

	At 30 September 2018 £	Income £	Expenditure £	Transfers £	At 30 September 2019 £
National Funding Scheme donations	—	296,616	(323,003)	26,387	—
Gifts in kind	—	129,382	(129,382)	—	—
	—	425,998	(452,385)	26,387	—

15 Related party disclosures

The Trustees acknowledge the considerable support given by many individuals and organisations. Specifically Bates Wells LLP for legal work, Panlogic Ltd for technical development and administration support and Digital Innovation and Growth (DIG) Ltd for the core technology, ongoing development of the technology, technical hosting and maintenance.

William Makower is a shareholder director of Panlogic Ltd and Digital Innovation and Growth (DIG) Ltd and a serving Trustee of The National Funding Scheme.

- ♦ Panlogic Ltd invoiced the charity £11,597 during the year (2019 - £2,633) to cover variable staffing requirements.
- ♦ At the year end £nil (2019 – £25,008) was owed to Panlogic Ltd.
- ♦ A gift in kind of £33,333 was recognised in 2019 for the Digital Innovation and Growth (DIG) Ltd software licence. During 2019 the Trustees negotiated a variable software levy instead of a fixed licence fee. The 2020 levy charged by Digital Innovation and Growth (DIG) Ltd was £19,242.