

THE FUNDING NETWORK
(Company limited by guarantee no. 04046959
registered charity no. 1088315)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2015

THE FUNDING NETWORK

(Company limited by guarantee no. 04046959, registered charity no. 1088315)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2015

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THE FUNDING NETWORK
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY,

ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31ST MARCH 2015

Trustees and Directors

Mr M Maynard, Chair
Mrs J Higham (Resigned 1st December 2014)
Mr N F Merriman
Mrs R Munro
Ms J Stimpson
Mr T Thiele
Mr S Wheatley, Treasurer
Mr J Wilkinson
Dr Frederick Mulder (Appointed 1st August 2014)
Ms S A Brobbey (Appointed 1st April 2015)

Company Registered Number

04046959

Charity Registered Number

1088315

Registered Office

16 Lincoln's Inn Fields
London
WC2A 3ED

Company Secretary

Ms S Shenai (Resigned 12th June 2015)

Chief Executive

Ms S Shenai (Resigned 12th June 2015)

Auditors

Knox Cropper
8/9 Well Court
London
EC4M 9DN

Bankers

Triodos Bank 11 The Promenade Bristol BS8 3NN	Cooperative Bank PO Box 250, Delf House Southway, Skelmersdale WN8 6WT
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CHAIRMAN'S STATEMENT For the year ended 31 March 2015

This has been another exciting, yet challenging, year at The Funding Network. We hit two memorable milestones during the year - reaching a total raised since we started of £7million, also reaching 1,000 projects funded. This has been achieved by bringing together approximately 7,000 donors at over 210 events since 2002.

As we continue to transform lives through our live crowdfunding events, every donation made at TFN was valued and helped make a difference to people's lives through national and international projects. This year, more people than ever were introduced to the joys of coming together socially in order to support innovative young projects in our core funding areas: crime reduction & peace building, education, environment, health, human rights, inclusion & livelihoods.

UK Funding Events

Adjusting for inflation, UK charitable giving in 2014 was still some 20% below the level in 2005. Although we raised over £530,000 in the UK, these continue to be challenging times where the ongoing impact of the recession, together with an element of donor fatigue and competition have affected many people's ability to give at our events. We have experienced a reduction in some like-for-like giving both in London and the provinces and we are finding that we need to work harder to maintain attendance levels. Nevertheless the feedback we receive at these events continues to be extremely positive with many people returning and, increasingly, becoming members.

We continued to develop our City Funding Network as part of the *City Philanthropy a Wealth of Opportunity* initiative and ran two events this year which included presenters such as Dame Harriet Walter and Peter Snow, raising over £40,000 from young City professionals.

We are proud of our Youth Funding Network (YTFN) events where young people give £10 towards social change projects, dip their toes in the waters of philanthropy and get excited at the prospect of making the world a better place. We hope to develop this programme to achieve greater impact in 2015 and beyond.

At the other end of the scale, our Strategic Funding Group (SFG) offers opportunities for larger donations to projects previously funded at TFN to scale their impact and become more sustainable. This year, our two SFG events raised £162,000 for six charities.

International and UK partnering events

The TFN model continues to be attractive in the UK and abroad. As such it's been another busy year for TFN International, our project to support the growth and development of civil society and philanthropy around the world by working in partnership with local civil society organisations and helping them to learn and adopt TFN's model.

We are now working in partnership with 32 civil society organisations (CSOs) in 12 countries including South Africa, Singapore, Ireland, Romania and Canada. In the past year they have raised approximately £750,000 in support of more than 100 social change organisations. These events have engaged over 2,000 people to support projects as diverse as landmine education for Turkish children living on the borders of Syria and Iran and maternal health for at-risk Aboriginal women in regional Australia.

Highlights have included

- An impressive second year for TFN Australia team, in which they doubled the amount they raised in their first year. In total, TFN Australia has staged 14 events in Sydney, Melbourne and Perth and raised over AUD\$1.5m (approx. £730,000) since conception. Groups in Central and Eastern Europe continuing to thrive. In addition to increasingly established groups in Bulgaria, Romania, Serbia & Slovakia, this year we have supported two events in Turkey. In total, our partners in

CHAIRMAN'S STATEMENT

For the year ended 31 March 2015

CEE have staged 41 events based on TFN's model, which have engaged 1,500+ unique donors in raising funds for 134 social change projects.

- Macquarie Group Foundation hosting our TFN New York Spring event where a diverse audience came together and raised over \$USD 45,000 in less than 45minutes
- Macquarie Group Foundation supporting the first event in New Zealand (Auckland) this year, working in partnership with Hilary Sumpter and the dynamic team at the Auckland Communities Foundation. The New Zealanders set the bar high with an astonishing NZD \$150,000 (£70,000) at their first event.

These groups raise money in their own countries, collect the donations and administer the grants, so the financial data for these countries is not reflected in these accounts. Likewise in the UK, we worked with partners who administered their own events and the numbers are similarly not included:

- Bristol: the dedicated group of volunteers run an annual event, raising £27,000 this year.
- Belfast: here we partner with Giving NI and the Community Foundation for Northern Ireland and raised over £19,000 for five local charities.
- Dublin and Cork: Tremendous enthusiasm for the TFN model in Eire with record-breaking donations.

Funding

- We are grateful for the support of our funders, particularly as we come to the end of a six-year relationship with the Esmee Fairbairn Foundation. We also received funding from Belron World Conference Foundation and City Bridge Trust; also from a private legacy from the estate of Venetia West.
- Our International work has received generous funding from the Charles Stewart Mott Foundation and Marie-Louise von Motesiczky Charitable Trust as well as from two of our trustees. And further support from the Macquarie Group Foundation and Mr John Beer.
- At the end of this financial year we approached our supporters with an appeal to contribute to TFN core funds. The "Swan Appeal", as it was known, raised committed funding of over £120,000 to be spread over our next three years of operation.
- We are also very grateful to the companies that have hosted and sponsored our events during the year. These include Rathbone Greenbank Investments, SEB, Hogan Lovells, Macquarie Group and UBS as well as Sir Alan Parker who has provided TFN with pro-bono office space for the seventh year at Brunswick and continues to be a great supporter of our work.
- We also continue to make TFN more self-sustaining by seeking partnerships and collaborations with other organisations, through the levy we take on donations and by growing our membership.

Impact

This year we have placed particular emphasis on understanding the impact of our donations. Here are some headlines for this year:

Improving lives and supporting communities:

e.g. Bees for Development supported 33 Ethiopian beekeepers and their families (raised £7,000 from TFN in May 2014) and went on to leverage £249,000 from DFID spread over three years

Addressing ineffective interventions and influencing policy:

e.g. Spark Inside(raised £10,000 from TFN in December 2014) implemented a pioneering life-coaching programme with young offenders which resulted in only 12.5% recidivism, compared to the national rate of 70%

Creating innovative collaborations:

e.g. with Hackney Giving, Year Here, The Childhood Trust, Addidi, LSE, amongst others

Spreading our model overseas:

e.g. In the past year our partner events in Australia, Bulgaria, Canada, Ireland, New Zealand, Romania, Serbia, Singapore, Slovakia, Turkey and USA raised over £750,000 for over 100 charities.

CHAIRMAN'S STATEMENT
For the year ended 31 March 2015

Membership

TFN is essentially a network of members. Whilst our events are totally inclusive (anyone can attend and anyone can donate) it is our members who find and nominate social change projects for funding, connect us with new supporters in the UK and abroad and, most importantly, support our core team. Membership has grown this year and we continue to provide a rich donor experience by running special events including, for instance, a strategic discussion with our patron, Jon Snow, and a private showing of Picasso prints at the British Museum.

The Board of Trustees

The Trustees take their governance role very seriously. They have exerted rigorous scrutiny this year over the accounts to ensure that our reserves remain in a healthy position. They not only attend meetings but spread the word, come to events, fund charitable projects themselves, contribute to new satellite groups in the UK and overseas and have even donated directly to TFN's core costs. Over the past year our board has remained relatively stable which has allowed us to focus on TFN's core objectives and mission. This year we said goodbye to Jackie Higham and welcomed back to the board Dr. Frederick Mulder, one of the co-founders of TFN and our International Ambassador.

And Finally....

TFN's achievements in the last year, when the evidence indicates a fall in charitable giving, are impressive. We continue to make a difference to people's lives in the UK and overseas. TFN's strength is its network - dedicated staff, committed trustees, members who find and select projects, and enthusiastic supporters who turn up to experience the value of giving together.

Michael Maynard
Chair

BOARD OF TRUSTEES' REPORT **For the year ended 31 March 2015**

The Trustees present their annual report together with the audited financial statements of The Funding Network (the company) for the year ended 31 March 2015. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. CONSTITUTION

The company is constituted under a Memorandum of Association dated 3 August 2000 and is a registered charity number 1088315.

The charitable objects of the company are to pay or apply the funds of the company to or towards or in furtherance or advancement or for the benefit of such one or more charities, charitable institutions or charitable purposes and if more than one in such shares and in such manner as the board of directors of the company thereafter in their absolute discretion from time to time shall respectively select and think fit.

The principal aim of the company is to provide a public crowdfunding forum which:

- acts as a 'marketplace' to which individuals bring projects that work towards a fairer, healthier and more sustainable world.
- provides a mutually respectful setting, where those who might like to join with others in funding such projects get to meet and hear from those doing the work.
- promotes a paradigm of social change giving: that those who have much can usefully share their wealth in creative and proactive ways, and that the process of giving can be enriching to the giver as well as the receiver.

It achieves this by running events (and encouraging others to run events) for the public benefit, bringing potential donors face to face with smaller charities and social enterprises in need of funding, and encouraging donations to be pledged and support in kind facilitated at each event.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The Funding Network is a member-led organisation. All the Trustees were recruited from members of The Funding Network or through recommendations made by TFN Trustees and employed staff and as such are familiar with the organisation and its operation before being appointed Trustees. Trustees serve an initial term of three years with the opportunity for an additional rolling term of one year by mutual consent.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

As part of their induction, new Trustees meet the Chair and the Chief Executive and are given a briefing pack comprising Charity Commission guidance, minutes for previous Board meetings, a copy of TFN's Memorandum & Articles of Association, a copy of TFN's Policy Overview and the most recent annual accounts. New Trustees are also offered the opportunity to receive training appropriate to their and TFN's needs and to spend time in the TFN office observing the organisation's operations.

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Funding Network has eight Trustees including its Chair, Michael Maynard, a member of TFN since its beginning. Trustee meetings are held 5-6 times per year. Papers are circulated before each

BOARD OF TRUSTEES' REPORT For the year ended 31 March 2015

meeting, used to keep the Board informed about developments and prepared for any key decisions required.

While Trustees govern the organisation, the day to day running is delegated to its staff. The Funding Network staff for the year comprised of five permanent roles (Chief Executive Sonal Shenai [resigned 12th June 2015] and four members of staff), some temporary support and volunteers in the office and at events.

The Funding Network is based in London and is supported by a number of dispersed groups in the UK which are run by dedicated local volunteers. Some events, particularly events held abroad, are administered by partnering charitable organisations rather than The Funding Network and are therefore not reflected in the Statement of Financial Activities that follows.

e. RISK MANAGEMENT

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Objectives and Activities

a. POLICIES AND OBJECTIVES

The Funding Network is an open network which links donors to charitable causes and social entrepreneurs. It aims to:

- raise money efficiently for organisations creating social change
- provide a public benefit by educating attendees at events about innovative social change projects
- encourage an increasing number of people to engage in active, intelligent philanthropy
- help individuals make a significant impact by enabling them to combine their giving with others through live crowdfunding.

TFN carries out its objectives through creating warm social events to raise funds for charitable causes and social entrepreneurs.

Raising money

Organisations nominated by members apply to present at events and agree to go through a competitive selection process. The application process is a simple two page form, and the Selection Panel also conducts a brief interview by phone with shortlisted charities. Selected organisations are given six minutes to present their cause at an event, followed by six minutes for questions. Charities are informed of the funds raised immediately after the event and receive the full amount with Gift Aid (less TFNs levy) usually within 6 weeks.

Educating attendees

Most TFN events are open to the general public as well as members, through online registration. All attendees receive an information pack about the presenting charities in advance of the event and non-members pay an attendance fee as a contribution towards costs. The information gives details of all the causes and their funding requests and the events allow time for attendees to talk informally to all the presenting causes. Attending an event and donating alongside other people enables attendees to learn from the philanthropy of other attendees as well as to influence others with their own preferences and philanthropic expertise. Attendees enjoy hearing directly from the social activists involved in the presenting organisations, and often meet end beneficiaries too.

BOARD OF TRUSTEES' REPORT For the year ended 31 March 2015

Engagement in active philanthropy

TFN members can nominate charities/causes and have a responsibility to guide the application process. The Selection Panel is made up of members who put themselves forward, steered by Andrew Wade, a former TFN Trustee and experienced Selection Panel Chair, or a TFN staff member. Members are also encouraged to contribute to events by volunteering in various capacities, including sharing insights into their philanthropy and advocating projects they have nominated. The aim is to create a positive, informative and inspiring environment so that first time attendees enjoy the crowdfunding experience and wish to return, irrespective of whether they have given at the event.

Collective Impact

Donors come together to create a collective impact through their giving at TFN events. Small donations join together with larger donations to help create a single grant made by TFN to the presenting organisation towards the specific funding needs outlined.

Not only do organisations presenting at events receive most or all of the funding their project requires, but they also build relationships with donors, who sometimes provide valuable expertise and contacts. At the majority of TFN events, an organisation funded at a prior event reports back to the audience on the impact of the financial and pro bono support they received.

b. PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The Trustees ensure that TFN's social change mission is carried out for the public benefit through the creation of funding events which support young charitable organisations that aim to enable enduring positive transformation for individuals, communities, and/or society and the environment over the long term. Examples of projects include those which:

- address issues of inequality and disadvantage
- create advocacy/campaigning/dissemination with the potential to change society for the better
- aim to find a new/better solution to an underlying problem
- focus on personal development to change the way beneficiaries act and live
- pilot solutions with the potential for expansion to support many more people

All selected projects pitching at core TFN events are nominated by members and evaluated on their model of social change, the level of impact they create for their beneficiaries and their appeal to potential donors attending TFN events.

Our charitable organisation is primarily set up to support:

- **the beneficiaries** of the charitable organisations supported at our events, in the health, education, human rights, climate change, conflict resolution and social inclusion.
- **attendees** at our events who discover new organisations to support, learn from the philanthropy of other attendees and engage in active philanthropy. Our events are inclusive and anyone may register to attend or become a TFN member. This year 1,250 people attended our UK events and 2,000 people attended TFN events abroad, bringing the total number of attendees around the world to 3,250 (compared with 2,800 in the previous year).

BOARD OF TRUSTEES' REPORT For the year ended 31 March 2015

Achievements and performance

a. REVIEW OF ACTIVITIES

In 2011, TFN's Trustees and Chief Executive created a three year Strategic Plan for the period from 2012 to 2015, which is revised annually. Over the financial year beginning 1 April 2014, TFN's aims were as follows:

- to introduce more new donors to social change philanthropy in the UK and abroad
- to grow membership in the UK
- to continue to grow overall funds raised for small and medium sized charitable organisations.

The Trustees are pleased to confirm that TFN performed well on these objectives, with an increase in membership as well as new donors at groups including City Funding Network and new partner events with Year Here and The Childhood Trust and events in New Zealand, Slovakia, Turkey, Singapore and Ireland. The number of people who have ever donated through all TFN UK events since 2002 is now 7500. In 2014/15 total funds raised from UK events totalled £530,000 - funds raised by partner groups (not shown in these accounts) grew to £750,000 as international groups in particular developed. The Trustees expect that the total funds raised in the UK will remain relatively stable in the year to come.

Notable quotes from supporters, members and charities towards TFN's work included the following:

There are two fundamental reasons I am a member of TFN. The first is that it is really rewarding. And secondly it's really good fun! You have great freedom to give your money away. It's not like exercise or medicine – it's not just worthy, it's fun – like eating cream cakes or having a night out on the town. Giving through TFN is direct, immediate and fun - like a binge!
TFN Member, Jamie, May 2014

TFN is simply a great way of discovering young charities. For me the exciting thing is that we get up close and personal to the charities and make a real difference. And it's fun!
Helen, TFN Bristol Steering Group, June 2014

You are doing such wonderful things at TFN and I can say on behalf of me, our board, and the people we work with that we're so honoured to have been a part of it. Keep up the good work, I promise to continue to work my hardest so that we can live up to our side of the agreement.
John Christopher of Oda Foundation, funded December 2014

What a marvellous lesson in philanthropy. An exhilarating evening with a highly professional team who prompted remarkable generosity from all present!
Peter Snow, pitched on behalf of Magic Bus UK, June 2014

The work you do is amazing. Thank you.
Archbishop Desmond Tutu, July 2012

b. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

TFN's core costs have been met through a combination of:

- earned income (membership fees, attendance fees, the levy on funds raised for the events administered)
- donations from members
- grants from Belron World Conference Foundation, City Bridge Trust, Esmee Fairbairn Foundation and the estate of Venetia West.

THE FUNDING NETWORK

BOARD OF TRUSTEES' REPORT For the year ended 31 March 2015

Event costs have often been met by the generosity of corporate supporters who have hosted events at their offices.

In order to fund the replication of TFN's international work with partners overseas, TFN also received grants from Charles Stewart Mott Foundation, Marie-Louise von Motesiczky Charitable Trust, The Frederick Mulder Foundation, and other supporters.

Financial review

a. RESERVES POLICY

It is the Trustees' policy to maintain adequate reserves of a minimum 4 months core costs to enable TFN to cover any shortfall in unrestricted donations, grants and other income. The level of reserves is monitored and reviewed constantly by the Trustees.

b. FUTURE DEVELOPMENTS

Over the financial year beginning 1 April 2015, TFN's aims are as follows:

- to introduce more new donors to social change philanthropy in the UK and abroad
 - to support and sustain all groups and events in the UK and abroad
- to continue to grow membership of TFN in the UK
- to attract and engage a broader demographic of philanthropists, through the development of TFN's live crowdfunding programmes
 - to develop the City Funding Network programme
 - to grow TFN's youth programme (YTFN) both in London and across the UK by seeking partnerships with Universities and other youth-led organisations.
- to continue to grow overall funds raised for small and medium sized charitable organisations.
- to continue to raise TFN's profile as a leader in live crowdfunding within the UK and abroad

SUPPORTERS

We would like to thank all our supporters, partners, members and volunteers, as well as the following organisations for their support in 2014/15:

Belron World Conference Foundation
Brunswick Group LLP
Charles Stewart Mott Foundation
City Bridge Trust
Esmee Fairbairn Foundation
The Frederick Mulder Foundation
Marie-Louise von Motesiczky Charitable Trust
The estate of Venetia West

Addidi
The Childhood Trust
The Community Foundation of Northern Ireland
East End Community Foundation
Giving Northern Ireland
Hackney CVS
Hackney Giving
Hogan Lovells
London School of Economics & Political Science
Macquarie Group Foundation
O2 Think Big
Philanthropy Ireland
Quartet CF
Rathbone Greenbank Investments
SEB
St Paul's Cathedral
UBS
Year Here

BOARD OF TRUSTEES' REPORT
For the year ended 31 March 2015

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

In accordance with company law, as the Trustees of the charitable company, we certify that so far as we are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- we have taken all the steps that we ought to have taken to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By order of the Trustees

M Maynard
Trustee

Date

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE FUNDING NETWORK FOR THE YEAR ENDED 31 MARCH 2015**

We have audited the financial statements of The Funding Network for the year ended 31 March 2015 which comprise the Statement of Financial Activities, including the income and expenditure account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Board of Trustees and auditors

As explained more fully in the Responsibilities Statement of the Board of Trustees, the Board of Trustees (who are also the directors of The Funding Network for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Board of Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Board of Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

/Continued ...

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE FUNDING NETWORK FOR THE YEAR ENDED 31 MARCH 2015**

(Continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board of Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all of the information and explanations we require for our audit; or
- the Board of Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Kevin Lally (Senior Statutory Auditor)

For and on behalf of:

Knox Cropper

Chartered Accountants & Statutory Auditors

8/9 Wells Court

London

EC4M 9DN

Date:

Knox Cropper Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE FUNDING NETWORK

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income and Expenditure Account) For the year ended 31 March 2015

	Note	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	55,054	537,060	592,114	734,602
Activities for generating funds	3	786	-	786	600
Investment income	4	336	80	416	634
Incoming resources from charitable activities	5	28,980	-	28,980	28,099
TOTAL INCOMING RESOURCES		85,156	537,140	622,296	763,935
RESOURCES EXPENDED					
Costs of Generating Funds					
Costs of generating voluntary income		18,297	-	18,297	27,524
Charitable activities		106,084	539,241	645,325	708,827
Governance costs	9	3,796	-	3,796	3,710
TOTAL RESOURCES EXPENDED	6	128,177	539,241	667,418	740,061
Net (expenditure)/income before transfer		(43,021)	(2,101)	(45,122)	23,874
Transfer between funds	14	34,344	(34,344)	-	-
Net (outgoing)/incoming resources before other recognised gains and losses		(8,677)	(36,445)	(45,122)	23,874
TOTAL FUNDS AT 1 APRIL 2014		109,147	75,397	184,544	160,670
TOTAL FUNDS AT 31 MARCH 2015		£ 100,470	£ 38,952	£ 139,422	£ 184,544

The annexed notes form part of these financial statements

THE FUNDING NETWORK (company limited by guarantee) (registered company no. 04046959)

BALANCE SHEET
As at 31 March 2015

	Notes	2015 £	2014 £
CURRENT ASSETS			
Debtors	12	4,512	15,156
Cash at bank and in hand		190,311	198,772
		<u>194,823</u>	<u>213,928</u>
CREDITORS: amounts falling due within one year	13	(55,401)	(29,384)
NET CURRENT ASSETS		<u>139,422</u>	<u>184,544</u>
NET ASSETS		<u>£ 139,422</u>	<u>£ 184,544</u>
FUNDS			
Unrestricted funds:			
Designated funds	14	49,000	-
General fund	14	51,470	109,147
		<u>100,470</u>	<u>109,147</u>
Restricted funds	14	38,952	75,397
		<u>£ 139,422</u>	<u>£ 184,544</u>

The financial statements have been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements were approved, and authorised for issue, by the Board of Trustees on _____ and signed on their behalf by:-

M MAYNARD, Chair

The annexed notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in 2005, applicable accounting standards and the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

Company status

The Funding Network is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

Cash Flow

The financial statements do not include a cash flow statement because the charitable company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity and which have not been designated for other

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The cost of administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Statutory grants which are given as contributions towards the Charity's core services are treated as unrestricted.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by

Donated services are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to investment income or Gift Aid donations is recognised at the time the relevant income is receivable.

THE FUNDING NETWORK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

Resources Expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Support costs, which cannot be directly attributed to particular activities, have been apportioned proportionately to the direct staff costs allocated to the activities. Governance costs include the costs of servicing Trustees' meetings, audit and strategic planning.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Pensions

The company is part of a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

2. VOLUNTARY INCOME

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	<i>Total Funds 2014 £</i>
Pledges and Gift Aid	-	482,259	482,259	570,572
Grants	49,402	54,801	104,203	159,530
Gift in kind	4,500	-	4,500	4,500
Other voluntary income	1,152	-	1,152	-
	£ 55,054	£ 537,060	£ 592,114	£ 734,602

Pledges and Gift Aid include amounts received in the year and exclude amounts received post year end in respect of events held in March 2015 .

The Gift-in-kind relates to donated facilities for fundraising events. An equivalent amount is included in Event expenses. In addition office accommodation and facilities are made available by Brunswick.

Funds raised through partnering events in Bristol, Northern Ireland, Singapore, Canada, USA, Australia, New Zealand, Romania, Bulgaria, Turkey, Slovakia and Serbia raised £840,000 (compared with £365,000 in 2013/14) for 128 charitable causes. These events were administered by partnering organisations rather than TFN so are not directly reflected within the funds raised. However all partnering events and organisations receive substantial ongoing support and guidance from TFN, with attendance from a TFN employee at nearly all such events.

THE FUNDING NETWORK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

Analysis of the grants funding

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	<i>Total Funds 2014 £</i>
Esmée Fairbairn Foundation	-	-	-	10,000
The City Bridge Trust	-	8,000	8,000	30,000
Belron World Conference Foundation	-	-	-	13,463
Frederick Mulder Foundation	-	6,720	6,720	6,720
Marie-Louise von Motesiczky Charitable Trust	-	25,000	25,000	25,000
Charles Stewart Mott Foundation	-	14,760	14,760	64,958
Private Donors	49,402	321	49,723	9,387
	<u>£ 49,402</u>	<u>£ 54,801</u>	<u>£ 104,203</u>	<u>£ 159,528</u>

Private donors includes amounts received under the Swan Appeal, which was an appeal to members for donations and includes amounts received from trustees.

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	<i>Total Funds 2014 £</i>
Fundraising events	186	-	186	-
Sponsorships	600	-	600	600
	<u>£ 786</u>	<u>£ Nil</u>	<u>£ 786</u>	<u>£ 600</u>

4. INVESTMENT INCOME

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	<i>Total Funds 2014 £</i>
Interest receivable from: Bank interest	336	80	416	634
	<u>£ 336</u>	<u>£ 80</u>	<u>£ 416</u>	<u>£ 634</u>

THE FUNDING NETWORK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Membership fees	21,445	-	21,445	19,001
Fee income	7,535	-	7,535	9,098
	<u>£ 28,980</u>	<u>£ Nil</u>	<u>£ 28,980</u>	<u>£ 28,099</u>

6. RESOURCES EXPENDED

	Total 2015 £	Total 2014 £
Cost of charitable activities		
TFN UK Events	570,599	646,409
TFN International	74,726	62,418
Total charitable expenditure	645,325	708,827
Costs of generating voluntary income	18,297	27,524
Governance costs	3,796	3,710
	<u>£ 667,418</u>	<u>£ 740,061</u>

	Grant funding of activities £	Staff costs £	Other direct costs £	Support costs £	Total 2015 £
TFN UK Events	446,515	115,775	624	7,685	570,599
TFN International	-	47,409	27,317	-	74,726
Total charitable expenditure	446,515	163,184	27,941	7,685	645,325
Costs of generating voluntary income	-	-	18,297	-	18,297
Governance costs	-	-	3,796	-	3,796
	<u>£ 446,515</u>	<u>£ 163,184</u>	<u>£ 50,034</u>	<u>£ 7,685</u>	<u>£ 667,418</u>

Resources expended include:

	2015	2014
Auditors' remuneration:		
Audit fee	3,796	3,710

Details of staff costs are given in Note 10.

Details of Support costs and Governance costs are given respectively in Notes 8 and 9.

THE FUNDING NETWORK

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

7. GRANTS PAYABLES	2015
	£
Grants payable in respect of prior years	(4,494)
Africa Prisons Project	4,648
Alcohol Education Trust	3,650
Aspire Oxford	26,073
Baobab Centre	11,748
Bees for Development	7,233
Best Foot Forward	2,560
Birdsong	1,839
Bite the Ballot	3,300
Blue Ventures	809
Carney's Community	7,438
Centre for Criminal Appeals	9,843
Circle Sports	3,700
Clean Break	6,248
Cool Earth	712
Creative Lifestyles	299
Curiosity Club	1,473
Drukpa Trust	1,092
EducAid	6,213
Environmental Justice Foundation	22,894
FAST	4,733
Flamingo Chicks	4,228
Foundation For Change	11,316
Full Circle	5,073
Future First International	3,500
Hackney Giving	173
Hackney Laces	6,036
Hackney Shed	369
HealthProm	10,499
Hope and Play	6,634
Ikamva Labantu	1,989
In2Science	2,775
Jacari	4,648
Justice in Motion	3,897
Kickstart Ghana	924
Kimnara Music	3,821
Lensational	805
London Youth Choir	4,700
Magic Bus	8,285
MediCinema	4,964
Mindset Development Organisation	7,646
Mosaic Clubhouse	860
My Life My Choice	19,656
OdaKids Foundation	7,995
One-Eighty	3,823
Pardada Pardadi Educational Society	6,390
Plant Your Future	3,530
Pollinate Energy	215

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

Primary Shakespeare Company	4,238
Project Heathy Children	420
Rainbow Fund For South Africa	13,500
ReachOut	740
Reclaim	4,064
RUSS (Rural Urban Synthesis Society)	724
SAPERE	14,059
Schistosomiasis Control Initiative	455
Settle	1,225
Sexpression	805
Southside Young Leaders Academy	3,950
Spark Inside	10,704
St Mary's Secret Garden	661
Startuponline	5,030
StreetDoctors	3,700
Streets of Growth	4,475
Tackle Africa	20,061
Tanzania Development Trust	1,410
Teach a Man to Fish	11,268
TFN Belfast	400
TFN Dublin	160
TFN New York	437
TFN New Zealand	250
TFN Singapore	95
The Bike Project	7,483
The Childhood Trust	100
The Hackney Pirates	27,519
The Space Between	749
The Lotus Flower Trust	10,039
Urban Pursuit	32,259
Volunteer Centre Hackney	3,396
WorkAid	5,377
	£ 446,515

This includes grants which were paid after the year end in respect of fundraising events which took place during the year.

8. SUPPORT COSTS

	Total	<i>Total</i>
	2015	<i>2014</i>
	£	<i>£</i>
General overheads	7,685	<i>10,189</i>
	£ 7,685	<i>£ 10,189</i>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

9. GOVERNANCE COSTS

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Auditors remuneration	3,796	-	3,796	3,710
	<u>£ 3,796</u>	<u>£ Nil</u>	<u>£ 3,796</u>	<u>£ 3,710</u>

10. STAFF NUMBERS AND COSTS

	2015 £	2014 £
Wages and salaries	125,756	110,789
Social security costs	11,085	13,145
Pension costs	19,896	20,256
Cost of contracted staff	6,447	12,467
Other staff costs	-	3,121
	<u>£ 163,184</u>	<u>£ 159,778</u>

No employee received remuneration of more than £60,000.

11. TRUSTEES REMUNERATION AND BENEFITS

During the year, no members of the Board of Trustees received any remuneration (2014 - £NIL).

No members of the Board of Trustees received reimbursement of expenses (2014 - £NIL).

12. DEBTORS

	2015 £	2014 £
Due within one year		
Trade debtors	-	10,000
Other debtors	4,512	5,156
	<u>£ 4,512</u>	<u>£ 15,156</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	7,555	3,952
Deferred income	-	14,760
Social security and other taxes	3,250	-
Other creditors	40,801	6,952
Accruals	3,795	3,720
	<u>£ 55,401</u>	<u>£ 29,384</u>
<u>Deferred income</u>		
Balance at 1 April 2014	14,760	
Amount released to incoming resources	(14,760)	-
Amount deferred in the year	-	14,760
Balance at 31 March 2015	<u>£ Nil</u>	<u>£ 14,760</u>

14. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and investment gains/(losses) £	Carried Forward £
DESIGNATED FUNDS					
General Fund	-	-	-	49,000	49,000
	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ 49,000</u>	<u>£ 49,000</u>
RESTRICTED FUNDS					
UK Event Pledges	(2,091)	482,339	(446,515)	(34,344)	(611)
TFN International	77,488	46,801	(74,726)	(10,000)	39,563
Other UK Events	-	8,000	(18,000)	10,000	-
	<u>£ 75,397</u>	<u>£ 537,140</u>	<u>£ (539,241)</u>	<u>£ (34,344)</u>	<u>£ 38,952</u>
SUMMARY OF FUNDS					
Designated Funds	-	-	-	49,000	49,000
General Funds	109,147	85,156	(128,177)	(14,656)	51,470
	<u>109,147</u>	<u>85,156</u>	<u>(128,177)</u>	<u>34,344</u>	<u>100,470</u>
Restricted Funds	75,397	537,140	(539,241)	(34,344)	38,952
	<u>£ 184,544</u>	<u>£ 622,296</u>	<u>£ (667,418)</u>	<u>£ Nil</u>	<u>£ 139,422</u>

The designated fund represents funds raised by special appeal to cover the running costs of specific programmes/events over the next 3 years.

Money raised at UK Events by The Funding Network is for specific charities. These funds are treated as restricted and have been paid to the respective charities less a levy of up to 7.5% (2014: 7.5%) to cover overheads. The levy is treated as a transfer between funds (see below). Restricted grants have also been received during the year to fund the development of TFN activities in overseas countries (TFN International).

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For the year ended 31 March 2015

15. TRANSFERS

	Restricted Funds 2015 £	Unrestricted Funds 2015 £
Transfer in the year comprises:		
Transfer to Unrestricted Funds Levy	<u>(34,344)</u>	<u>34,344</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds £	General Funds £	£	£
Net current assets	49,000	51,470	38,952	139,422
	<u>£ 49,000</u>	<u>£ 51,470</u>	<u>£ 38,952</u>	<u>£ 139,422</u>

17. PENSION COMMITMENTS

Part of the salary of two staff members is paid in the form of contributions to a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £19,896 (2014: £20,256).