



# **INSTITUTE OF FUNDRAISING**

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2019

Registered Charity Number in England and Wales 1079573 and in  
Scotland SC038971. Company Limited by Guarantee no. 3870883.

## **Our Vision**

Excellent fundraising for a better world

## **Our Mission**

To create the environment and understanding for fundraisers to excel

Excellent fundraising is the essential ingredient that enables organisations to make the world a better place.

### ***What do we mean by excellent fundraising?***

Excellent fundraising is fundraising that has the values of the organisation at its heart. It inspires people and organisations to give, and it provides the resources in order that those organisations fulfil their objectives. Excellent fundraising is ethical and effective and treats donors fairly and with respect.

An excellent fundraising organisation is one that adopts a strategic approach to achieving its objectives; embeds excellent fundraising throughout its organisation, including in its staff, volunteers and trustees; continually reviews its practices and makes improvements, innovates through ideas and technology, and invests in staff, volunteers and systems.

## **Our Charitable Objects**

- i) To advance or promote the efficiency of organisations established for charitable purposes throughout the United Kingdom (as defined in the Charities Act 2011)
- ii) To promote higher standards of administration and fundraising for charitable purposes (as so defined) throughout the United Kingdom
- iii) To educate the public in relation to the matters referred to in i) and ii) above, throughout the United Kingdom.

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The Trustees are pleased to present their report, together with the financial statements of the charity for the year ended 31<sup>st</sup> March 2019.

## **1. INTRODUCTION**

The Institute of Fundraising (IoF) was founded in 1983 by a committed group of fundraisers getting together to tackle fundraising issues – setting standards, sharing learning and representing fundraisers to government. Since then the IoF has expanded and evolved and is now the largest individual representative body in the voluntary sector with over 5,800 individual members. Our organisational members – over 630 of them - generate more than £10bn in voluntary income for good causes every year.

Our influence on charity fundraising is second to none, as the voice of charity fundraisers, a hub of high standards and innovation, and the 'go to' body for training and qualifications. Our reach and support for the fundraising community extends across the whole of the United Kingdom with vibrant IoF groups running events and networks in every nation and region, and our 24 Special Interest Groups bringing fundraisers together in every interest area from major donors, to individual giving, from the cultural sector to technology. Each positive interaction the Institute has with a fundraiser means they are better able to have an impact for the causes and communities for which they work or volunteer. For that reason we are very proud that we have continued to expand our reach, services and support for fundraisers. And in the context of continued political and economic uncertainty around Brexit, our role in improving the understanding of fundraising and in supporting a better environment for fundraisers to raise money has never been so crucial.

Over the last year, the IoF has put a firm emphasis on increasing equality, diversity and inclusion within the fundraising profession through our Manifesto for Change and our #ChangeCollective campaign. We believe that to deliver truly excellent fundraising we need an equal, diverse and inclusive profession where everyone is the right fit, and we are committed to working with our members and the wider charity sector to achieve this.

We also began our delivery of the RAISE programme as a Sector Support Organisation to the Arts Council. With our own Cultural Sector Network, and in partnership with Young Arts Fundraisers and other stakeholders, we have hosted specialist events, awarded bursaries to courses and qualifications and produced inspiring content to continue to spread excellent fundraising practices throughout Arts, Culture and Heritage organisations across England.

We have also continued our focus on improving supporter experience in fundraising as we deliver the legacy and vision of the Commission on

Donor Experience, with the support of our strategic partner, Salesforce.org and our Supporter Experience special interest group.

Finally, we are delighted to say that we are back in discussions with the Privy Council Office in relation to becoming a Chartered Institute, and that, providing our members approve the proposed changes to our governance documents at our AGM on 1<sup>st</sup> July, we will be able submit a formal petition to the Privy Council to become the Chartered Institute of Fundraising, a long term, strategic ambition of our members.

## **2. PERFORMANCE AND IMPACT**

Over the course of the year, we have continued to deliver against our Strategic objectives to create a better environment for fundraisers to fundraise, increasing the understanding of fundraising and enabling fundraisers to be the best they can be.

More specifically our priorities for last year were taking forward our work on equality, diversity and inclusion, extending our reach into the cultural sector and driving forward our work on the supporter experience.

We have delivered all of that, and more. We have continued to grow overall the support we offer to the wider fundraising community. We have more than 5,800 individual members (a slight fluctuation from 6,000 in 2017/2018) whilst the number of organisational members has increased to 630 (from 609 in 2017/2018) and corporate members to 115 (from 110 in 2017/2018) and we have retained over 200 members of Remember a Charity, our long term campaign to increase legacy giving.

Our net promoter score this year rose to a record +13.4, which is an increase of 6.6 against last year. This shows our individual members continue to feel more positive about us as an organisation. The Net Promoter Score (NPS) is our annual survey of member satisfaction in which individual members score how likely they are to recommend us to a friend or colleague on a scale of 1 – 10. The NPS is calculated by subtracting the percentage of detractors (those who scored 0 – 6) from the percentage of promoters (those who scored 9 or 10). The score is presented as a number and can range from -100 to +100.

### **Enabling fundraisers to be the best they can be**

Our annual Fundraising Convention and National Fundraising Awards had another successful year, with 2,420 fundraisers participating in Convention (2,400 in 2017). Following updates to the syllabus, 105 fundraisers graduated with one of our qualifications (compared to a record 146 in 2017/2018). 1,643 people attended one of our conferences or events (1,800 in 2017/2018) and our national, regional and Special

Interest Groups (SIGs) continued to grow their reach through a wide range of training courses, conferences and events.

The evaluations of all our activities continued to rise with our conferences and events rated on average at 4.25 out of 5 (2017/2018: 8 out of 10).

86% of our Certificate and 84% of our Diploma students said that undertaking the qualification had helped them in their professional development and improved their career prospects (87% in 2017/2018). 93% of those who attended our short professional training courses felt more confident about the course topic after attending (up from 90% in 2017/2018).

We relaunched our Sole Fundraisers SIG and launched a new Healthcare SIG, meeting the needs of the increasing number of our members from hospices, NHS charities and air ambulances.

We launched the RAISE programme to support fundraisers in the Arts and Culture sector, funded by Arts Council England, and working in collaboration with the Institute of Fundraising's Cultural Sector Network (CSN) and Young Arts Fundraisers. We appointed nine regional advocates and welcomed more than 300 fundraisers to the CSN Conference.

Remember A Charity, our long-term legacy campaign, has continued to grow its reach and support for members and the wider fundraising community, with hundreds of charities now actively promoting Remember A Charity Week each year. At the same time we have worked to increase our public affairs work encouraging legacy nudges in the tax system and working hard to ensure the continuation of the legacy notification service.

### **Creating a better environment for fundraisers to fundraise**

We have continued to consolidate our place at the heart of the fundraising community, leading on issues of most importance to our members. The Fundraising Regulator worked with us to develop and launch new training on complaints handling, which has proved to be very popular, and we have delivered a range of new courses on stewardship, innovation and storytelling.

We conducted a review of our merger with the Public Fundraising Regulatory Authority, engaging with a range of stakeholders across the charity sector. The overall consensus has been that the merger was the right decision and has led to a more coherent voice for fundraising, coupled with a stronger focus on standards.

We continued to deliver a huge amount of support and advice to our members and the wider sector on GDPR, including a refresh of our 'GDPR

Essentials' guidance with Bircham Dyson Bell, a new guide on telephone fundraising and a total refresh of our online guidance.

Insight pieces have included a report into how charities are improving the donor experience; 'Fundraising for Impact', a new report with PwC looking at the current environment and challenges for fundraising organisations, and 'Achieving excellence in public fundraising', research into improvements in public fundraising with local councils.

We enhanced our member resources with our first ever 'Year in Fundraising' compilation of relevant research, and initiated a new 'Fundraising Focus' series of member-only policy reports.

We also produced new guidance and support for fundraisers on safeguarding and advice for fundraisers on how to ensure they can carry out their work in a safe and supported environment. The Board established a Task Group on sexual harassment in fundraising, co-chaired by two trustees, to lead our response to concerns raised across the sector and to review our own internal policies and procedures.

### **Increasing the understanding of fundraising**

Our social media reach has expanded considerably over the year, and we now have over 30,000 followers on Twitter and 22,000 members of our LinkedIn community.

During the year we also delivered a series of innovation-focussed events with partners including Facebook, Barclays and Amazon. Through new strategic partnerships with Blackbaud, Salesforce.org. and Charity Checkout we were able to champion excellence, the supporter experience and innovation across our key activities including at Fundraising Convention, conferences and through a series of webinars and reports.

While the political and media climate has been focused very much on the UK leaving the European Union, we have continued to engage strongly with our European partners through our membership of the European Fundraising Association. In the UK we have continued to engage with politicians, policy makers and the media to promote fundraising. We have responded to a range of government consultations and voluntary sector initiatives to promote the views of fundraisers and fundraising organisations, including submissions on society lotteries; charity tax; probate fees, and a refreshed version of the Code of Fundraising Practice. We have met with a number of Parliamentarians and were pleased to hold a reception celebrating excellence in fundraising in the Scottish Parliament in June 2019.

With the support of the Scottish Government, we have delivered the successful first year programme of training around fundraising for Third Sector Interfaces (TSIs) and small local charities. In collaboration with the

Scottish Fundraising Standards Panel we continue to champion the highest of fundraising standards in Scotland. And our Scottish Fundraising Conference and Awards – led by a dedicated team of members - become more popular each year.

In Wales, we delivered a successful second year of our National Lottery Community Fund Wales skills project, supporting small and local charities to develop their own fundraising strategies. And our national committee is delivering more events for fundraisers across Wales, with exciting new plans – including a Welsh Fundraising Conference – in the pipeline for the autumn.

In Northern Ireland, we've expanded the reach of our networking and training, with our national committee designing exciting new programmes of masterclasses and a highly successful Fundraising Conference and Awards. This autumn will see the introduction of a new IoF Northern Ireland mentoring scheme.

## **Impact**

We know that every interaction we have with a fundraiser means that they can go back to their charity to deliver ever more excellent fundraising, inspiring even more donors to support their cause.

We also know that fundraising has a wider impact above and beyond the specific amount raised for a charity. Giving to charity is an important way for people to engage with civil society and connect with causes and issues that matter to them. Fundraising is an important part of raising awareness, and the evidence shows that through giving people go on to take further positive actions in relation to those causes, as well as feel better in themselves.

Evidence we collect also shows that every year the standards of public fundraising have increased, with fewer breaches of the Code of Fundraising Practice and Rule Books. Our mystery shopping programme shows a further year on year improvement in fundraising standards, meaning the general public and potential donors are enjoying a better experience from every interaction. Local authorities receive fewer complaints about fundraising where we have site management agreements in place.

We are also proud of our impact on increasing legacy giving, driven by Remember A Charity's strategic approach to shifting public attitudes. Latest figures show that the legacy market continues to grow, with 15.8% of wills that went to probate including a charitable gift in 2017, up from 14.4% in 2012 and 12.2% in 2007.



The long-term trends also reveal a steady increase in those who claim to be aware of legacy giving, with a record 40% of the UK population claiming that they'd be happy to leave a gift in their will. And the percentage of solicitors who claim to never mention charitable giving to clients has also more than halved, falling from 22% in 2012 to 10% in 2018.

With legacy giving making up just under £3 billion in annual income to charities already, we know that every extra conversation, every increase in the number of people leaving a gift to a charity in their will, means that in the future charities will be able to do even more to pursue their vital causes.

We also know that our work on equality, diversity and inclusion is galvanising action across the sector through our #ChangeCollective campaign. The Manifesto for Change developed by our Expert Panel on Equality, Diversity and Inclusion has been widely publicised across the sector, with interest from HR directors and universities, as well as from other umbrella bodies and a wide range of recruitment agencies. Our inaugural Access Fund enabled 23 people to participate in and contribute to Fundraising Convention 2018. We produced with PwC the largest ever survey of the diversity of fundraising teams across the UK, and published polling data on the perception of fundraising as a career with YouGov. Our staff team have all received training on equality, diversity and inclusion, and we are in the process of collecting baseline diversity data in relation to our staff team, trustees and volunteer committees.

We would like to thank the following for their support over the year: Arts Council England, Donald Forester Trust, the National Lottery Community Fund in Wales and the Scottish Government.

We would also like to thank the founders of our Diversity Access Fund: Blackbaud, Fastmap, Nisa Local and Think Consulting and thank our generous individual supporters for their donations to the Access Fund.

### **3. FUTURE PLANS**

Over the course of the next year, we will continue to deliver against our Strategic Framework 2017-21: representing and serving the fundraising community; delivering higher levels of excellent fundraising; and championing innovation and the profession.

We will launch our strategy to improve equality, diversity and inclusion within the fundraising profession at Fundraising Convention in July 2019, setting out our priorities for action, and setting up a new Equality, Diversity and Inclusion Committee to spearhead the Institute's work.

With our members' consent we will submit a formal petition to become the Chartered Institute of Fundraising in July 2019, with the hope that we will be able to launch our new identity early in 2020.

We will continue our vital work on improving supporter experience across the charity sector and continue our work in partnership with the Arts Council through our RAISE programme to support fundraisers and fundraising organisations in the cultural sector.

Remember A Charity's new three-year strategic plan, launched earlier this year, will seek to build on this year's growth, focusing on driving the public's consideration and action about gifts in wills; ensuring professional advisors consistently mention the charitable option when advising clients; and creating a more favourable environment for charitable will-writing.

Over the course of the year we will also implement a new CRM system and website, designed to extend and improve our reach into the fundraising community, enabling more fundraisers to get the support and advice they need to deliver excellent fundraising.

## **4. REVIEW OF FINANCIAL POSITION**

### **4.1 INTRODUCTION**

Our financial statements follow Financial Reporting Standard (FRS) 102 and Charities SORP 2015. In total, the Institute had income of £6 million (against £5.9 million in 2017/18). Expenditure totalled £5.8 million (against £5.8 million in 2017/18), resulting in an increase in total reserves of £211k.

Our free reserves level increased by £94k to £470k as part of overall unrestricted funds of £927k. The Institute intends to maintain reserves at a healthy level, and make investments as necessary to ensure the best use of resources and to increase the reach and impact of its work. Scoping of the functional requirements and supplier selection were completed in 2018/2019 for an integrated ICT System to support our development and growth of member services. We will continue to invest in this development during 2019/20 and 2020/2021.

The main areas of restricted fund activity are the Remember A Charity campaign; the Scottish Office (partly funded by a Scottish Government grant); the Welsh Office (partly funded by a Big Lottery Fund Wales grant); and the Compliance Directorate.

In April 2018 the Institute was appointed as a National Portfolio Organisation by Arts Council England and commenced delivery of the RAISE programme which will help to build greater levels of fundraising in the arts and culture sector through a comprehensive programme of

networking, peer-learning, mentoring and access to onward education that will develop meaningful partnerships both within the arts and cultural sector and with the wider fundraising community.

## **4.2 RESERVES POLICY**

The nature of the Institute's activities leads to the majority of income being received in advance, notably from membership and events. This not only provides high levels of working capital but also allows us to adapt future plans based on income secured to manage risks. At the end of March 2019, income received in advance (reported in the creditor balance) totalled over £1.3m (2018: £1.5m).

As a result of this analysis of income received and the dynamics of the current business model, the Board of Trustees has adopted a risk-based reserves policy. This policy takes high and medium risks established as part of the annual planning process and feeds them into the budget for the year to provide a composite picture of the overall impact of retained risk on free reserves. This approach is designed to enable the retention of sufficient free reserves to fund unexpected expenditure when unplanned events occur that cannot be managed through revisions to in-year plans.

Following a review of the risks to which the charity is exposed in its plans for 2019/20, the Board of Trustees consider that in order to meet these needs, the Institute should hold free reserves in the range of £300k to £400k. This will allow the Institute to operate as effectively as possible and to implement the strategy, including completing the ICT Systems investment.

As at 31<sup>st</sup> March 2019, our free reserves amounted to £470k.

## **4.3 INVESTMENT POWERS AND POLICY**

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Trustees see fit.

The Trustees delegate the management of investments to the Finance and Resources Committee. Excess cash funds are held on short-term deposits.

## **4.4 FUNDRAISING PRACTICES STATEMENT**

Over the course of 2018/19 the Institute of Fundraising undertook limited public fundraising activity in support of the Diversity Access Fund through JustGiving. The Institute does not employ any staff with a specific remit for public fundraising.

The Trustees have reviewed the Charity Commission *Charity fundraising: a guide to trustee duties* (CC20) guidance and are confident that obligations are being fulfilled.

The Chief Executive and all of the Directors have a role in diversifying the Institute's income, with specific responsibility allocated to our Director of Development & Remember A Charity. The Head of Development is a salaried member of staff who has oversight of all grant applications and the Diversity Access Fund and has a remit to diversify the Institute's income. The IoF does not recruit volunteer fundraisers. The IoF does not have any subsidiary trading companies, nor do we employ commercial third parties to undertake fundraising on our behalf.

IoF members agree to abide by the regulations set out in the Code of Fundraising Practice and our Code of Conduct. Our Member Disciplinary Procedures are published on our website.

Our commercial and corporate supporters/members do not undertake public fundraising on our behalf. They also sign up to support the Code and best practice and can be disciplined and removed from membership if in breach of the Code.

Agreed governance procedures are in place to assist our network of volunteers to maintain proper use of our data, name, image, logo and intellectual property. Staff provide support to our volunteers who each sign up to a Volunteer Agreement and undertake not to bring the Institute into disrepute.

Each of our staff team is aware of the Code of Fundraising Practice and our volunteers and members sign up to comply with the Code of Fundraising practice. We regularly brief the staff team on developments in the Code.

We have an open complaints process, which the Trustees have reviewed and agreed, which applies to IoF staff, volunteers and our members. Our complaints procedure is published on our website. We have received no complaints about our fundraising over the course of the year.

Financial oversight of income generation and expenditure is provided by the Finance & Resources Committee, which reports to every Board meeting. Risks are managed through Corporate & Financial Risk Assessments. Effective financial controls are in place and any serious incident would be reported to the Charity Commission and other relevant agencies.

Reports are filed in accordance with the regulations set out by Companies House, the Charity Commission and OSCR.

## **4.5 RISK ASSESSMENT**

The Trustees have a process of continuous risk assessment that examines key areas of risk at quarterly Trustee meetings. The Chief Executive is tasked with reporting to the Trustees about the implementation of agreed

systems to manage identified areas of risk. The Trustees are satisfied that the major risks to which the Institute is exposed have been reviewed and systems have been established to manage and mitigate the impact of those risks.

The Trustees have identified the following key areas of external and business critical risk in 2019/20:

- ◆ The ongoing risk to the fundraising profession of a major scandal or an externally driven campaign, which could result in major financial and delivery challenges for the fundraising community, the Institute's members, and the Institute. In order to mitigate the risk, we will continue to invest in our compliance, guidance and training services to support members to meet their obligation to adhere to the Code of Fundraising Practice. We will focus on promoting excellent and innovative fundraising and continue to invest staff time and resources to manage our media and external relationships.
- ◆ The potential for statutory regulation of fundraising and a political environment and policy context unsympathetic to fundraising could have a significant impact on services provided by charities and the Institute. We will continue to support our members to deliver excellent fundraising, and represent our members to the government, regulators and the media, and we will develop key partnerships with other partner organisations to present strong and unified responses.
- ◆ Implementation of a the internal transformation programme, notably including new CRM system and website as well as preparation for move to Chartered status requires significant focus and organisational commitment in addition to ongoing service delivery and enhancement. The Institute has committed specialist resources e.g. ICT Programme Manager, and adopted a project approach to secure key deliverables as scheduled. Oversight of the transformation programme is provided by the Finance & Resources Committee and the Board.

## **5. STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Institute of Fundraising is governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission and the Office of the Scottish Charity Regulator. The Institute is a company limited by guarantee with the Trustees as company directors.

## **5.1 APPOINTMENT OF TRUSTEES**

Eight Trustees are elected by the membership and are announced at the Annual General Meeting, which takes place in July each year. Up to four further Trustees may be co-opted at any time.

Elected Trustees serve a term of three years and may be appointed to serve for one further term. The four co-opted Trustees shall retire after one year, unless reappointed. Each co-opted trustee shall be eligible for reappointment up to a maximum term of six years in total.

The Chair and Officers are appointed by the Trustees from among their number.

Amanda Bringans was appointed Chair of the Institute in July 2017 and re-appointed in July 2018.

Kath Abrahams was appointed Vice Chair in July 2017 and re-appointed in July 2018.

Rohan Hewavisenti was appointed Honorary Treasurer in July 2018.

Carol Akiwumi was re-elected for a further three-year term and Sarah Bissell and Emma-Louise Singh were newly elected to the Board.

## **5.2 TRUSTEE INDUCTION AND TRAINING**

All new Trustees are issued with a full set of documents covering governance, the committee and decision-making process, the business plan and recent financial performance of the charity, and are given a full induction by the Chair and staff team. The Trustee away day focuses on the strategic direction of the Institute and involves the organisation's Senior Leadership Team.

## **5.3 ORGANISATION**

The Board convenes every quarter for a meeting that examines performance, finance, strategy and risk.

In March 2018 the Board of Trustees decided to move towards the standards set out in the Charity Governance Code, self-evaluated against the Code, and then took action to address specific identified weaknesses, including focussing on foresight at the Away Day in September and initiating a formal benchmarking project with similar membership organisations.

The Board also read and noted NCVO's Charity Ethical Principles.

Clearly laid out responsibilities are defined for the Trustee body. Delegated powers are given to the Finance and Resources Committee to provide oversight of finance, HR, IT, investment and property matters,

and to the Nominations and Elections Committee to oversee election and nomination processes.

The Finance & Resources Committee is chaired by the Honorary Treasurer, and the committee is composed of a mix of Trustees and non-trustees appointed for their technical skills and experience.

The Board has set up a series of advisory and functional committees to support the staff in the day-to-day running of the Institute. These are:

- ◆ Finance and Resources Committee
- ◆ Fundraising Convention Board
- ◆ Standards Advisory Board
- ◆ Policy Advisory Board
- ◆ Learning and Development Committee
- ◆ Nominations and Elections Committee

In March 2019, it was decided to replace the formal Policy Advisory Board with a more informal Policy Forum. There is also a formal Public Fundraising Strategy Group that takes oversight of public fundraising and advises the Board and staff team as necessary.

Trustees either chair or are members of each of these committees thereby creating an additional control on the information that is accessible to the full Board.

The Board formally delegates day-to-day management to the Chief Executive, Peter Lewis. The Chief Executive leads a Senior Leadership Team made up of the Director of People & Resources, Director of Partnerships & Innovation, Director of Membership, Compliance and Professional Development, Director of Engagement & External Affairs, and Director of Development & Remember A Charity.

## **5.4 STAFF REMUNERATION**

Trustees set the salary of the Chief Executive, using benchmarking and other data to inform their decision. The Chief Executive, in consultation with the Board and Finance and Resources Committee, sets the salaries of all other staff, using benchmarking and other data to review pay levels.

Although not required to report on gender pay due to the size of the organisation (c 50 employees), we have conducted a gender pay gap analysis which shows that in March 2019 the mean pay gap was 27.5% and the median pay gap was 21.8%. Analysis across the job levels indicates the low number of men in junior roles and the need to increase

the percentage of female employees in junior manager and Director roles. We will continue to review ways to address these differences.

## **5.5 VOLUNTEERS**

The IoF relies on the voluntary input of members and supporters for a large amount of its activities. Time given as group committee members and organisers, speakers, trainers, advisors, Committee members and in other ways supporting IoF's work enables us to provide a wide range of services to members and the sector that we would otherwise be unable to provide. We currently have around 500 regular volunteers.

This volunteer time is not recognised as either income or expenditure in the Statement of Financial Activities, but is of huge importance to our members and the wider fundraising community, and is greatly valued by the organisation.

## **5.6 PUBLIC BENEFIT STATEMENT**

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The Institute of Fundraising's charitable purpose is enshrined in its objects, as follows:

- i. To advance or promote the efficiency of organisations established for charitable purposes throughout the United Kingdom;
- ii. To promote higher standards of administration and fundraising for charitable purposes (as so defined) throughout the United Kingdom;
- iii. To educate the public in relation to the matters referred to in (i) and (ii) above throughout the United Kingdom.

The Trustees ensure that these purposes are carried out for the public benefit by delivering services to enable those with fundraising responsibility in the charity sector to develop and adopt best practice, thereby promoting a transparent and efficiently managed charity sector that engenders public confidence and trust. Further, by supporting those in the charity sector with fundraising responsibility, we are able to help all charities to maximise the use of their resources and make a greater impact for all their beneficiaries.

The services that we deliver cover our strategic objectives as set out. Many of these services are open to all, for example training courses and conferences can be accessed by non-members, whilst our policy and campaigning work also benefits those in the wider fundraising community.



Institute of Fundraising membership is open to any organisations or people employed by a charity or business with responsibility for, or an interest in, fundraising, and who are happy to sign up to comply with the Code of Fundraising Practice and our own Code of Conduct. The Institute provides a range of bursaries and scholarships to support access to our services.

Within the structure of the Annual Report of the Trustees, we have commented on this year's activity against our strategic objectives.

All Trustees give their time voluntarily and receive no benefit from the charity in relation to their role as Trustees. Any expenses reclaimed from the charity are set out in note 7 to the financial statements.

## **5.7 TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of the Institute of Fundraising for the purposes of company law) 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 of 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- ◆ make judgments 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 charitable company 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 charitable company 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) Regulations 2006. 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.

Each of the trustees confirms that:

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charitable company’s auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company’s auditor is aware of that information.

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

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

The Report of the Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies’ regime and was approved by the Trustees on 17 June 2019 and signed on their behalf by

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**Amanda Bringans, Chair**

## 6. INDEPENDENT AUDITOR'S REPORT

### Opinion

We have audited the financial statements of the Institute of Fundraising (the 'charitable company') for the year ended 31 March 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, 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 31 March 2019 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the

charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **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.

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; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees 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.

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](http://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

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## 7. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019

### 7.1 STATEMENT OF FINANCIAL ACTIVITIES

Notes	2019			2018			
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £	
<b>INCOME FROM:</b>							
<b>Donations and legacies</b> (including gifts in kind)							
	47	461	508	6,521	14,974	21,495	
<b>Raising funds</b>	2	181,554	-	181,554	208,430	-	208,430
<b>Investments</b>		26	-	26	95	-	95
<b>Charitable activities</b>							
Create a better environment for fundraisers to raise money							
	1,231,614	1,112,433	2,344,047	1,201,495	1,121,321	2,322,816	
Increase understanding of fundraising							
	-	545,622	545,622	-	586,282	586,282	
Enable fundraisers to be the best they can be							
	2,612,723	315,134	2,927,857	2,510,298	233,286	2,743,584	
<b>Other sources</b>		2,518	-	2,518	6,198	-	6,198
<b>TOTAL INCOME</b>		<b>4,028,482</b>	<b>1,973,650</b>	<b>6,002,132</b>	<b>3,933,037</b>	<b>1,955,863</b>	<b>5,888,900</b>
<b>EXPENDITURE ON:</b>							
<b>Raising funds</b>	2	222,391	-	222,391	223,017	-	223,017
<b>Charitable activities</b>							
Create a better environment for fundraisers to raise money							
	953,130	1,097,592	2,050,722	937,677	1,061,740	1,999,417	
Increase understanding of fundraising							
	200,804	531,064	731,868	227,812	583,572	811,384	
Enable fundraisers to be the best they can be							
	2,507,517	278,332	2,785,849	2,583,158	198,694	2,781,852	
<b>TOTAL EXPENDITURE</b>		<b>3,883,842</b>	<b>1,906,988</b>	<b>5,790,830</b>	<b>3,971,664</b>	<b>1,844,006</b>	<b>5,815,670</b>
<b>NET INCOME (EXPENDITURE)</b>		<b>144,640</b>	<b>66,662</b>	<b>211,302</b>	<b>(38,627)</b>	<b>111,857</b>	<b>73,230</b>
<b>TRANSFERS BETWEEN FUNDS</b>							
	13	(29,801)	29,801	-	(18,986)	18,986	-
<b>NET MOVEMENT IN FUNDS</b>		<b>114,839</b>	<b>96,463</b>	<b>211,302</b>	<b>(57,613)</b>	<b>130,843</b>	<b>73,230</b>
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward at 1st April 2018							
	13, 14	812,421	790,093	1,602,514	870,034	659,250	1,529,284
<b>Total funds carried forward at 31st March 2019</b>							
	13, 14	<b>927,260</b>	<b>886,556</b>	<b>1,813,816</b>	<b>812,421</b>	<b>790,093</b>	<b>1,602,514</b>

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

## 7.2 BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2019

	Notes	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Intangible fixed assets	9	80,526		162,151	
Tangible fixed assets	10	47,039		66,255	
			127,565		228,406
<b>Current assets</b>					
Debtors	11	1,417,304		1,199,705	
Cash in bank and in hand		1,959,968		2,054,236	
		3,377,272		3,253,941	
Creditors: amounts falling due within one year	12	(1,691,021)		(1,879,833)	
<b>Net current assets</b>			1,686,251		1,374,108
<b>Total net assets</b>			<b>1,813,816</b>		<b>1,602,514</b>
<b>The funds of the charity</b>					
Unrestricted funds	13				
- General		469,748		376,202	
- Designated		457,512		436,219	
<b>Total unrestricted funds</b>			927,260		812,421
Restricted income funds	13		886,556		790,093
<b>Total charity funds</b>			<b>1,813,816</b>		<b>1,602,514</b>

The financial statements were approved by the Trustees on .....  
and signed on their behalf by:

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**Amanda Bringans**  
**Chair**

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**Rohan Hewavisenti**  
**Hon. Treasurer**

Institute of Fundraising  
Company number: 3870883



## 7.3 STATEMENT OF CASH FLOWS YEAR TO 31<sup>ST</sup> MARCH 2019

	Note	2019 £	2018 £
<b>Cash flow from operating activities</b>			
Net cash (used in) provided by operating activities	A	(82,750)	449,807
<b>Cash flows from investing activities</b>			
Investment income		26	95
Purchase of fixed assets		(11,544)	(59,116)
<b>Net cash (used in) provided by investing activities</b>		<b>(11,518)</b>	<b>(59,021)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(94,268)</b>	<b>390,786</b>
<b>Cash and cash equivalents at 1st April 2018</b>		<b>2,054,236</b>	<b>1,663,450</b>
<b>Cash and cash equivalents at 31st March 2019</b>	B	<b>1,959,968</b>	<b>2,054,236</b>

### Notes to the cash flow statement for the year to 31<sup>st</sup> March 2019

#### A Reconciliation of net movements in funds to net cash flow from operating activities

	2019 £	2018 £
<b>Net income for the reporting period (as per then statement of financial activities)</b>	211,302	73,230
<b>Adjustments for:</b>		
Depreciation and amortisation charge	112,385	161,673
Investment income	(26)	(95)
(Increase) decrease in debtors	(217,599)	319,604
(Decrease) in creditors	(188,812)	(104,605)
<b>Net cash (used in) provided by operating activities</b>	<b>(82,750)</b>	<b>449,807</b>

#### B Analysis of cash and cash equivalents

	2019 £	2018 £
<b>Total cash and cash equivalents: cash at bank and in hand</b>	<b>1,959,968</b>	<b>2,054,236</b>

## 7.4 NOTES TO THE FINANCIAL STATEMENTS

### 1. Accounting policies

#### a) Statutory information

The Institute of Fundraising is a charitable company limited by guarantee and is incorporated in England, Wales and Scotland. The registered office address is Charter House, 13-15 Carteret Street, London, SW1H 9DJ.

#### b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note. The accounts are presented in sterling and are rounded to the nearest pound.

#### c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

#### d) 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 tangible and intangible fixed assets;
- ◆ provision of bad debt; and
- ◆ the allocation of support costs (as discussed below)

#### e) Going concern

There are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**f) Income**

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from membership, corporate support, sponsorship, exhibitions and advertising is credited to the Statement of Financial Activities when earned. Income from training courses is credited to the Statement of Financial Activities when the course commences. All other items of income are credited to the Statement of Financial Activities in the year in which they are received.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**g) Donated goods and services**

Donated goods and services are included at the value to the Institute i.e. the value the Institute would have paid in the open market. The majority of these gifts in kind are donated venues and meeting hosting, and free marketing and advertising.

**h) Investment Income**

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

**i) Fund accounting**

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

Unrestricted funds are donations and other income received or generated for the charitable purposes.

Designated funds are unrestricted funds designated by the Trustees for particular purposes.

**j) Expenditure and irrecoverable VAT**

Expenditure, other than for training courses, is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure for training courses is recognised in full when the course commences.

**j) Expenditure and irrecoverable VAT (continued)**

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and their associated support cost.
- Expenditure on charitable activities includes the costs of delivering services, training, events and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**k) Allocation of support costs**

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity.

- Create a better environment for fundraisers to raise money (31%)
- Increase understanding of fundraising (23%)
- Enable fundraisers to be the best they can be (41%)
- Cost of raising funds (5%)

**l) Operating leases**

Rental charges are charged on a straight-line basis over the term of the lease.

**m) Intangible fixed assets**

Comprises of computer software enhancements on the Institute's database and website and compliance training platforms, which are capitalised where the purchase price exceeds £500. Amortisation costs are allocated to activities on the basis of the use of the related assets in those assets. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life, which has been calculated as 4 years.

**n) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Office Equipment	4 years
Furniture and Fittings	4 years
Land and Buildings	remaining life of the lease
Leasehold equipment	remaining life of the lease(s)

**o) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**p) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**q) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. Income received in advance for goods or services that accrue in future periods are deferred and recognised as a liability.

**r) Pensions**

The Institute operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Institute. The Institute makes contributions to the pension scheme in accordance with its obligations under the Pensions Reform Regulations. All amounts paid by the charity are charged to the Statement of Financial Activities as incurred.

**s) Tax policy**

The Institute is exempt from Corporation Tax as its income is raised charitably and spent on its charitable purposes

## 2 Income and expenditure from raising funds

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<i>£</i>
<b>Income from raising funds</b>		
Corporate support	133,000	<i>155,606</i>
Corporate sponsorship	48,554	<i>52,824</i>
	<b>181,554</b>	<i>208,430</i>
	<b>2019</b>	<i>2018</i>
	<b>£</b>	<i>£</i>
<b>Costs of raising funds</b>		
Staff costs	153,015	<i>141,446</i>
Web development	22,947	<i>31,365</i>
Corporate sponsorship	8,375	<i>6,064</i>
Other costs	-	<i>-</i>
Support costs (note 5)	38,054	<i>44,142</i>
	<b>222,391</b>	<i>223,017</i>

All income and expenditure has arisen from unrestricted funds for both the current and previous year.

### 3 Income from charitable activities

	Create a better environment for fundraisers to raise money £	Increase understanding of fundraising £	Enable Fundraisers to be the best they can be £	2019 Total £
<b>Unrestricted funds</b>				
Individual membership	534,567	-	-	534,567
Organisational membership	697,047	-	-	697,047
National convention, conferences and events	-	-	1,293,165	1,293,165
Academy	-	-	754,546	754,546
Other professional development income	-	-	42,700	42,700
Regional and special interest groups	-	-	522,312	522,312
	<b>1,231,614</b>	<b>-</b>	<b>2,612,723</b>	<b>3,844,337</b>
<b>Restricted funds</b>				
Wales office	-	-	133,596	133,596
Scotland office	16,980	22,640	73,580	113,200
Remember A Charity	1,095,453	-	-	1,095,453
Compliance directorate	-	522,982	-	522,982
Arts Council England	-	-	107,958	107,958
	<b>1,112,433</b>	<b>545,622</b>	<b>315,134</b>	<b>1,973,189</b>
<b>Total income from charitable activities 2019</b>	<b>2,344,047</b>	<b>545,622</b>	<b>2,927,857</b>	<b>5,817,526</b>

### 3 Income from charitable activities (continued)

	<i>Create a better environment for fundraisers to raise money</i>	<i>Increase understanding of fundraising</i>	<i>Enable Fundraisers to be the best they can be</i>	<i>2018 Total</i>
	£	£	£	£
<b>Unrestricted funds</b>				
Individual membership	558,714	-	-	558,714
Organisational membership	642,781	-	-	642,781
National convention, conferences and events	-	-	1,295,079	1,295,079
Academy	-	-	658,432	658,432
Other professional development income	-	-	25,532	25,532
Regional and special interest groups	-	-	531,255	531,255
	<u>1,201,495</u>	<u>-</u>	<u>2,510,298</u>	<u>3,711,793</u>
<b>Restricted funds</b>				
Wales office	-	-	128,718	128,718
Scotland office	7,714	10,286	33,428	51,428
Remember A Charity	1,113,607	-	-	1,113,607
Compliance directorate	-	575,996	-	575,996
Heritage Lottery Fund	-	-	41,140	41,140
The Tudor Trust	-	-	30,000	30,000
	<u>1,121,321</u>	<u>586,282</u>	<u>233,286</u>	<u>1,940,889</u>
<b>Total income from charitable activities 2018</b>	<u>2,322,816</u>	<u>586,282</u>	<u>2,743,584</u>	<u>5,652,682</u>



## 4 Expenditure on charitable activities

	Create a better environment for fundraisers to raise money	Increase understanding of fundraising	Enable Fundraisers to be the best they can be	2019 Total
	£	£	£	£
<b>Unrestricted funds</b>				
Membership services	656,145	-	-	656,145
National convention	-	-	1,181,970	1,181,970
Academy	-	-	534,868	534,868
Policy projects	150,410	120,328	30,082	300,820
Other professional development costs	-	-	17,862	17,862
Regional and special interest groups	-	-	437,738	437,738
Support costs (note 5)	146,575	80,476	304,997	532,048
	<b>953,130</b>	<b>200,804</b>	<b>2,507,517</b>	<b>3,661,451</b>
<b>Restricted funds</b>				
Wales office	-	-	102,677	102,677
Scotland office	19,091	25,454	82,728	127,273
Remember A Charity	966,142	-	-	966,142
Compliance directorate	-	385,464	-	385,464
The Tudor Trust	-	-	12,317	12,317
Arts Council England	-	-	34,669	34,669
Support costs (note 5)	112,359	120,146	45,941	278,446
	<b>1,097,592</b>	<b>531,064</b>	<b>278,332</b>	<b>1,906,988</b>
<b>Total expenditure on charitable activities 2019</b>	<b>2,050,722</b>	<b>731,868</b>	<b>2,785,849</b>	<b>5,568,439</b>

#### 4 Expenditure on charitable activities (continued)

	<i>Create a better environment for fundraisers to raise money</i>	<i>Increase understanding of fundraising</i>	<i>Enable Fundraisers to be the best they can be</i>	<i>2018 Total</i>
	£	£	£	£
<b>Unrestricted funds</b>				
Membership services	599,569	-	-	599,569
National convention	-	-	1,171,941	1,171,941
Academy	-	-	514,257	514,257
Policy projects	168,076	134,460	33,615	336,151
Other professional development costs	-	-	28,101	28,101
Regional and special interest groups	-	-	481,450	481,450
Support costs (note 5)	170,032	93,352	353,794	617,178
	<u>937,677</u>	<u>227,812</u>	<u>2,583,158</u>	<u>3,748,647</u>
<b>Restricted funds</b>				
Wales office	-	-	70,156	70,156
Scotland office	7,714	10,286	33,428	51,428
Remember A Charity	944,026	-	-	944,026
Compliance directorate	-	456,286	-	456,286
Heritage Lottery Fund	-	-	48,718	48,718
The Tudor Trust	-	-	32,531	32,531
Support costs (note 5)	110,000	117,000	13,861	240,861
	<u>1,061,740</u>	<u>583,572</u>	<u>198,694</u>	<u>1,844,006</u>
<b>Total expenditure on charitable activities 2018</b>	<u>1,999,417</u>	<u>811,384</u>	<u>2,781,852</u>	<u>5,592,653</u>

## 5 Allocation of support and governance costs

		Unrestricted funds				
Basis of Allocation		Create a better environment for fundraisers to raise money	Increase understanding of fundraising	Enable Fundraisers to be the best they can be	Cost of raising funds	2019 Total
		£	£	£	£	£
<b>Support Cost</b>						
Depreciation & amortisation	Staff Time	19,413	10,659	40,395	5,040	75,507
Operating leases: - buildings	Staff Time	26,171	14,368	54,457	6,795	101,791
- other	Staff Time	3,099	1,702	6,448	805	12,054
Governance costs (note 6)	Staff Time	7,012	3,850	14,590	1,820	27,272
Miscellaneous	Staff Time	90,880	49,897	189,107	23,594	353,478
<b>Total unrestricted 2019</b>		<b>146,575</b>	<b>80,476</b>	<b>304,997</b>	<b>38,054</b>	<b>570,102</b>

		Unrestricted funds				
Basis of Allocation		Create a better environment for fundraisers to raise money	Increase understanding of fundraising	Enable Fundraisers to be the best they can be	Cost of raising funds	2018 Total
		£	£	£	£	£
<b>Support Cost</b>						
Irrecoverable VAT (note 8)	Staff Time	1,110	610	2,309	288	4,317
Depreciation & amortisation	Staff Time	13,486	7,405	28,063	3,501	52,455
Operating leases: - buildings	Staff Time	26,499	14,549	55,142	6,880	103,070
- other	Staff Time	1,728	945	3,583	447	6,703
Governance costs (note 6)	Staff Time	11,480	6,303	23,887	2,980	44,650
Miscellaneous	Staff Time	115,729	63,540	240,810	30,046	450,125
<b>Total unrestricted 2018</b>		<b>170,032</b>	<b>93,352</b>	<b>353,794</b>	<b>44,142</b>	<b>661,320</b>

## 5 Allocation of support and governance costs (continued)

		Restricted funds				
Basis of Allocation		Create a better environment for fundraisers to raise money	Increase understanding of fundraising	Enable Fundraisers to be the best they can be	Cost of raising funds	2019 Total
		£	£	£	£	£
<b>Support Cost</b>						
Depreciation & amortisation	Staff Time	14,881	15,913	6,085	-	36,879
Operating leases: - buildings	Staff Time	20,062	21,451	8,203	-	49,716
- other	Staff Time	2,376	2,540	971	-	5,887
Governance costs (note 6)		5,375	5,747	2,199	-	13,321
Miscellaneous	Staff Time	69,665	74,495	28,483	-	172,643
<b>Total restricted 2019</b>		<b>112,359</b>	<b>120,146</b>	<b>45,941</b>	<b>-</b>	<b>278,446</b>
<b>Total allocated 2019</b>		<b>258,934</b>	<b>200,622</b>	<b>350,938</b>	<b>38,054</b>	<b>848,548</b>

		Restricted funds				
Basis of Allocation		Create a better environment for fundraisers to raise money	Increase understanding of fundraising	Enable Fundraisers to be the best they can be	Cost of raising funds	2018 Total
		£	£	£	£	£
<b>Support Cost</b>						
Irrecoverable VAT (note 8)	Staff Time	770	819	97	-	1,686
Depreciation & amortisation	Staff Time	9,357	9,952	1,179	-	20,488
Operating leases: - buildings	Staff Time	18,386	19,556	2,317	-	40,259
- other	Staff Time	1,195	1,271	151	-	2,617
Miscellaneous	Staff Time	80,292	85,402	10,117	-	175,811
<b>Total restricted 2018</b>		<b>110,000</b>	<b>117,000</b>	<b>13,861</b>	<b>-</b>	<b>240,861</b>
<b>Total allocated 2018</b>		<b>280,032</b>	<b>210,352</b>	<b>367,655</b>	<b>44,142</b>	<b>902,181</b>

## 6 Governance Costs

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<i>£</i>
Auditor's fees - statutory audit	16,315	20,000
- under provision from previous year	(1,484)	2,580
- other services	5,948	-
Trustees' meeting costs	9,754	9,761
Office and other costs	10,060	12,309
	<b>40,593</b>	<i>44,650</i>

## 7 Staff costs

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<i>£</i>
Wages and salaries	1,979,078	1,806,812
Social security costs	199,749	186,133
Pension contributions	111,592	79,327
Redundancy / termination payment	-	14,698
	<b>2,290,419</b>	<i>2,086,970</i>

During the year, employees earning in excess of £60,000 per annum fell into the following:

	<b>2019</b>	<i>2018</i>
	<b>Number</b>	<i>Number</i>
£90,000 - £99,999	1	-
£80,000 - £89,999	-	1
£70,000 - £79,999	4	3
£60,000 - £69,999	2	1
	<b>7</b>	<i>5</i>

The key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day-to-day basis comprise the Chief Executive and an Executive Management Board, currently made up of the Director of People & Resources, Director of Partnerships & Innovation, Director of Membership, Compliance and Professional Development, Director of Engagement & Public Affairs, and Director of Development & Remember A Charity. Salary, employer's NI and employer's pension contributions of the key management personnel for the year totalled £522,577 (2018 - £477,548). Trustees' remuneration for the year was £nil (2018 - £nil).

## 7 Staff costs (continued)

The total paid to trustees for services rendered are as follows:

Name	Service provided	2019	2018
		£	£
Carol Akiwumi	Professional development	2,114	5,019
Carol Akiwumi	Project management expenses	3,579	7,945
		<b>5,693</b>	<b>12,964</b>

The total sum of £3,378 (2018 - £2,818) was paid to 4 (2018 - 3) trustees in relation to travel and subsistence.

The average number of employees analysed by function was:

	2019	2018
	Number	Number
Costs of raising funds	4	3
Create a better environment for fundraisers to raise money	15	14
Increase understanding of fundraising	14	14
Enable fundraisers to be the best they can	20	18
	<b>53</b>	<b>49</b>

## 8 Value Added Tax

The charity is partially exempt for VAT and cannot recover all the VAT it pays. Irrecoverable VAT in the year amounted to £195,334 (2018 - £246,285) and is included within its associated expenditure category. Irrecoverable VAT which cannot be allocated is included within support costs (note 5) which is nil (2018 - £6,004).

## 9 Intangible fixed assets

<i>All used for direct charitable purposes</i>	Computer software and website £	Total £
<b>Cost</b>		
At 1st April 2018	475,150	475,150
Additions	-	-
At 31st March 2019	<b>475,150</b>	<b>475,150</b>
<b>Amortisation</b>		
At 1st April 2018	312,999	312,999
Charge for year	81,625	81,625
At 31st March 2019	<b>394,624</b>	<b>394,624</b>
<b>Net book value</b>		
At 31st March 2019	<b>80,526</b>	<b>80,526</b>
At 31st March 2018	162,151	162,151

Included within intangible fixed assets are assets which relate to restricted funds. The net book value of assets held as restricted funds at 31st March 2019 was £57,047 (2018 - £92,953).

## 10 Tangible fixed assets

	Office equipment £	Furniture and fittings £	Total £
<b>Cost</b>			
At 1st April 2018	83,298	257,119	340,417
Additions	11,544	-	11,544
At 31st March 2019	<b>94,842</b>	<b>257,119</b>	<b>351,961</b>
<b>Depreciation</b>			
At 1st April 2018	41,031	233,131	274,162
Charge for year	16,181	14,579	30,760
At 31st March 2019	<b>57,212</b>	<b>247,710</b>	<b>304,922</b>
<b>Net book value</b>			
At 31st March 2019	<b>37,630</b>	<b>9,409</b>	<b>47,039</b>
At 31st March 2018	42,267	23,988	66,255

Included within tangible fixed assets are assets which relate to restricted funds. The net book value of assets held as restricted funds at 31st March 2019 was £2,247 (2018 - £3,900).

## 11 Debtors

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<i>£</i>
Trade Debtors - Unrestricted	395,651	237,543
Trade Debtors - Restricted	402,297	526,939
Accrued Income	50,015	57,023
Other Debtors	102,558	58,765
Prepayments	466,783	319,435
	<b>1,417,304</b>	<i>1,199,705</i>

Included within other debtors for 31 March 2018 is £48,996, which relates to debtors which fall due in more than one year (2019 – £nil).

## 12 Creditors - Amounts falling due within one year

	<b>2019</b>	<i>2018</i>
	<b>£</b>	<i>£</i>
Trade creditors	178,639	147,532
VAT	16,635	54,641
Taxation and Social Security costs	55,351	1,143
Other Creditors	109,011	146,052
Accruals & Deferred income - Unrestricted	753,528	779,976
Accruals & Deferred income - Restricted	577,857	750,489
	<b>1,691,021</b>	<i>1,879,833</i>



### 13 Movement in funds

	At 1st April 2018	Income	Expenditure	Transfers gains and (losses)	At 31st March 2019
	£	£	£	£	£
<b>Unrestricted funds</b>					
General funds	376,202	3,506,170	(3,446,104)	33,480	469,748
Designated funds					
- Regional and special interest groups	304,666	522,312	(437,738)	-	389,240
- Fixed assets (intangible and tangible)	131,553	-	-	(63,281)	68,272
Total designated funds	436,219	522,312	(437,738)	(63,281)	457,512
<b>Total unrestricted funds</b>	<b>812,421</b>	<b>4,028,482</b>	<b>(3,883,842)</b>	<b>(29,801)</b>	<b>927,260</b>
<b>Restricted funds</b>					
Wales office	58,562	133,596	(112,528)	-	79,630
Remember A Charity	375,768	1,095,914	(1,076,141)	-	395,541
Tudor Trust	15,194	-	(12,317)	-	2,877
Compliance Directorate	340,569	522,982	(502,464)	-	361,087
Scotland office	-	113,200	(143,001)	29,801	-
Arts Council England	-	107,958	(60,537)	-	47,421
<b>Total restricted funds</b>	<b>790,093</b>	<b>1,973,650</b>	<b>(1,906,988)</b>	<b>29,801</b>	<b>886,556</b>
<b>Total funds 2019</b>	<b>1,602,514</b>	<b>6,002,132</b>	<b>(5,790,830)</b>	<b>-</b>	<b>1,813,816</b>

### 13 Movement in funds (continued)

	<i>At 1st April 2017</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers gains and (losses)</i>	<i>At 31st March 2018</i>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General funds	379,574	3,401,782	(3,490,214)	85,060	376,202
Designated funds					
- Regional and special interest groups	254,861	531,255	(481,450)	-	304,666
- Fixed assets (intangible and tangible)	235,599	-	-	(104,046)	131,553
Total designated funds	490,460	531,255	(481,450)	(104,406)	436,219
<b>Total unrestricted funds</b>	<b>870,034</b>	<b>3,933,037</b>	<b>(3,971,664)</b>	<b>(18,986)</b>	<b>812,421</b>
<b>Restricted funds</b>					
Wales office	-	128,718	(70,156)	-	58,562
Remember A Charity	301,213	1,128,581	(1,054,026)	-	375,768
Heritage Lottery Funding	2,453	41,140	(62,579)	18,986	-
Tudor Trust	17,725	30,000	(32,531)	-	15,194
Compliance Directorate	337,859	575,996	(573,286)	-	340,569
Scotland office	-	51,428	(51,428)	-	-
<b>Total restricted funds</b>	<b>659,250</b>	<b>1,955,863</b>	<b>(1,844,006)</b>	<b>18,986</b>	<b>790,093</b>
<b>Total funds 2018</b>	<b>1,529,284</b>	<b>5,888,900</b>	<b>(5,815,670)</b>	<b>-</b>	<b>1,602,514</b>

#### Transfers between funds

The sum of £63,281 (2018:£104,046) has been transferred from the Fixed Assets Designated Fund to General Funds to reflect the current level of the unrestricted fixed assets. In 2018, £18,986 had been transferred from general Funds to the Heritage Lottery Fund to enable the project to be completed.

#### Designated Funds

The Designated Fund relates to income and expenditure arising from our network of National, Regional & Special Interest Groups.

#### Restricted Funds

##### Wales Office

Our Fundraising Healthcheck activity in Wales is funded by the Big Lottery Fund's Third Sector Skills programme in Wales for three years from 2017/2018. The project matches organisations with coaches so that fundraising strategies can be developed in collaboration with staff and trustees at those organisations selected to benefit from the project. £79,630 carry forward relates to activities which will now be delivered in the third year of the project 2018/2019.

## **13 Movement in funds (continued)**

### **Restricted Funds (continued)**

#### Remember A Charity

Remember A Charity is the Institute's long-term project to increase legacy giving to charity.

#### Heritage Lottery Fund

The project, funded by the Heritage Lottery Fund and delivered in partnership with the Heritage Alliance, aimed to build fundraising capacity in the Heritage Sector. The project ended in summer 2017.

#### Tudor Trust

We secured funding during 2016/17 for a two year programme of training, consultancy and support to BAME organisations "The Avocado Project", which is being delivered in partnership with the IoF Black Fundraisers UK Special Interest Group.

#### Compliance Directorate

These funds represent the income and expenditure directly related to compliance activities formerly delivered by the PFRA, in line with the 2016 transfer agreement and including accreditation of fundraisers, site allocation, field monitoring and mystery shopping, training and guidance.

#### Scotland Office

The Institute receives grants from the Scottish Government for the purpose of funding our activities in Scotland. This is also complemented through other earned income generation activities and subsidised through a contribution from IoF central unrestricted funds to cover the costs of activities in Scotland.

#### Art Council England

In April 2018 the Institute was appointed as a National Portfolio Organisation by Arts Council England and commenced delivery of the RAISE programme to support fundraisers and fundraising organisations in the cultural sector. Working with the Institute's Cultural Sector Network, in partnership with Young Arts Fundraisers and other stakeholders, the four year programme aims to support excellent fundraising practices and shared learning throughout Arts, Culture and Heritage organisations across England.

## 14 Analysis of net assets between funds

At 31st March 2019	General funds £	Designated funds £	Restricted funds £	Total funds £
Fixed assets	-	68,271	59,294	127,565
Debtors	1,015,007	-	402,297	1,417,304
Cash in bank and at hand	567,905	389,241	1,002,822	1,959,968
Creditors: amounts falling due within one year	(1,113,164)	-	(577,857)	(1,691,021)
<b>Total 2019</b>	<b>469,748</b>	<b>457,512</b>	<b>886,556</b>	<b>1,813,816</b>

  

At 31st March 2018	<i>General funds £</i>	<i>Designated funds £</i>	<i>Restricted funds £</i>	<i>Total funds £</i>
Fixed assets	-	131,553	96,853	228,406
Debtors	667,208	5,558	526,939	1,199,705
Cash in bank and at hand	838,338	299,108	916,790	2,054,236
Creditors: amounts falling due within one year	(1,129,344)	-	(750,489)	(1,879,833)
<b>Total 2018</b>	<b>376,202</b>	<b>436,219</b>	<b>790,093</b>	<b>1,602,514</b>

## 15 Operating lease commitments

	Property		Equipment	
	2019 £	2018 £	2019 £	2018 £
Within one year	70,856	85,028	16,723	10,873
Between two and five years	-	42,514	34,968	13,684
	<b>70,856</b>	<b>127,542</b>	<b>51,691</b>	<b>24,557</b>

## 16 Related Party Transactions

Other than the transactions included in note 7, there are no further related party transactions to disclose (2018: none).

## 8. REFERENCE AND ADMINISTRATIVE DETAILS

<b>Charity name</b>	Institute of Fundraising
<b>Charity numbers</b>	England and Wales 1079573, Scotland SC038971
<b>Company number</b>	03870883
<b>Registered office</b>	Charter House, 13-15 Carteret Street, London, SW1H 9DJ
<b>Auditors</b>	Buzzacott LLP 130 Wood Street, London EC2V 6DL
<b>Bankers</b>	National Westminster Bank PLC 358 South Lambeth Road, London, SW8 1UR
<b>Solicitors</b>	Bates, Wells & Braithwaite London LLP 10 Queen Street Place, London, EC4R 1BE
<b>Senior Staff</b>	Peter Lewis is the Chief Executive.
<b>Directors and Trustees</b>	The directors of the charitable company are its Trustees for the purpose of charity law and throughout the report are collectively referred to as "the Trustees".

The following have served as Trustees in the year and to the date of this report:

Amanda Bringans	(Chair from July 2017; re-appointed 2018)
Kath Abrahams	(Vice Chair from July 2017; re-appointed 2018)
Carol Akiwumi	
Danielle Atkinson	
Sarah Bissell	(From July 2018)
Irene Chambers	(Retired July 2018)
Emily Drayson	
Helen Elliott	(Ret. as Trustee & Hon. Treasurer July 2018)
Rohan Hewavisenti	(Hon. Treasurer from July 2018)
Isobel Michael	
Giles Pegram CBE	(Retired July 2018)
Emma-Louise Singh	(From July 2018)
Claire Rowney	
Liz Tait	
Dominic Will	(Retired April 2019)

Details of each current trustee are available in the "about us" "Governance" section of the Institute's website: [www.institute-of-fundraising.org.uk](http://www.institute-of-fundraising.org.uk).



[www.institute-of-fundraising.org.uk](http://www.institute-of-fundraising.org.uk)

020 7840 1000

[info@institute-of-fundraising.org.uk](mailto:info@institute-of-fundraising.org.uk)

[@ioftweets](https://twitter.com/ioftweets)

The IoF is a charity registered in England and Wales (No 1079573) and Scotland (No SC038971), and a company limited by guarantee (No 3870883).