FUNDRAISING REGULATOR

Annual Report and Financial Statements for the year ended 31 March 2018

Covering 12 months

Fundraising Regulator is a company limited by guarantee
Company registration no. 10016446 (England and Wales)

Contents

I am pleased with the continued progress the Fundraising Regulator has made since my last report in 2017. This has been the first year in which it was more or less business as usual for the organisation we created from scratch and launched on 7 July 2016. Our focus this year has been less on the development of our regulatory systems and more on the range of activities that a mature and effective regulator of fundraising needs to undertake. I am delighted that Northern Ireland has agreed to join our regulatory remit, alongside England and Wales.

We aim to regulate all forms of charitable fundraising, whether or not charities pay the levy and/or register with us. I am confident that, as a result of the progress we have made, the Government and sector umbrella bodies - whose support was vital in our inception - can be satisfied that the fundraising sector is being regulated more effectively than it was three years ago.

We continue to engage with the larger charities whose generous financial support has funded us this far. They can have confidence that the funding they provide is being used effectively. This year we have also focused on reaching out to the smaller fundraising charities. We now have more than 3,000 charities registered and using our badge (these are either levy payers or smaller charities who have voluntarily registered). This is nearly three times the number who were within the previous regulatory arrangements. Our ambition is to spread the net wider still.

Amongst our growing registration base this year we also have around 100 fundraising agencies that provide services to charities. We are pleased to see their commitment to the Code.

This year, we have completed three consultations on changes to the Code of Fundraising Practice, most notably on GDPR and on online fundraising, which is a growing source of funding for the sector. In the year that GDPR becomes law, we have also issued comprehensive guidance on data protection in relation to fundraising.

We have also continued to engage with the public to publicise our complaints processes and the Fundraising Preference Service (FPS). Our vital work dealing with public complaints about fundraising has grown in scale. In this year, we have resolved just over 1,100 complaints, with 30 investigations completed; we have increased our staff resources to manage this demand. Dealing with steadily increasing numbers of complaints from the public shows there is still a way to go to improve standards and raise awareness of the Fundraising Regulator. We are also keen to share learning across the sector arising from complaints and investigations.

We have published our register of charities who have paid the levy and/or registered with us. It is heartening to see growing public awareness of our badge as the sign of commitment to ethical fundraising through adherence to the Code.

The public now have access to an easy-to-use and effective opt-out service in the FPS, which we launched in July 2017. A key priority is to raise public awareness of the FPS and encourage more take-up. We are committed to transparency in all that we do; we hope that our website, newsletter and consultations bear witness to that. Our recruitment of Board members and staff is carried out by public advertisement.

With regard to the voluntary levy, it is pleasing that most charities within the scope of the levy have responded promptly and willingly. Sadly, we have a small number of charities who have not engaged or who have declined to pay the levy; we have referred these charities to the Charity Commission and highlighted them on our register. The NCVO Civil Society Almanac 2018 showed that the sector spent £6.4 billion on fundraising; in that light, our request for around £2.2m to regulate the sector seems entirely reasonable.

Paying the levy is, of course, not simply a financial transaction. It demonstrates a commitment to the cultural change in fundraising highlighted as essential in the 2015 Cross-Party Parliamentary Review. Effective regulation benefits charities by raising standards, thereby bolstering trust and confidence in the sector and the public's appetite to give. Charities that decline to pay the levy are, in effect, being subsidised by those that do. I remain of the view this is neither fair nor within the spirit of voluntary regulation agreed by the Government and endorsed by the Charity Commission and the National Council for Voluntary Organisations (NCVO) and would urge this small minority of charities to reconsider their position.

Looking ahead, we will review the voluntary levy to determine how we can best support the financial projections set out in our published Strategic Plan 2018–2021. None of us – the Regulator, the Charity Commission, the NCVO, the sector, the Office for Civil Society – would welcome a transition to a statutory levy, so we must all work together to ensure the continued success of the current voluntary arrangements.

I am confident that the seeds of change and improvement in the fundraising environment are in place. We now have an effective way of dealing with complaints and encouraging learning; there is a mechanism in place for the public to opt-out of receiving unwanted communications; the rules on fundraising are being systematically updated; and we are able to offer first-class advice and guidance to the public and charities.

As I leave my role as Chair later this year, I would like to thank those organisations who have worked with us to ensure our success – the Charity Commissions for England and Wales and for Northern Ireland, NCVO, WCVA, NICVA, CO3, ACEVO, NAVCA, the Institute of Fundraising, the Information Commissioner, the Office for Civil Society, OSCR and the Scottish Fundraising Standards Panel and many larger and some smaller charities.

I wish my soon-to-be appointed successor well and hope that he or she will continue the vital work to improve fundraising regulation.

Finally, I would like to thank my fellow Board and Committee members and staff team, particularly the CEO, Stephen Dunmore, who stood down at the end of June. Their dedication and skill has ensured that we have achieved so much in such a short space of time.

Lord Grade of Yarmouth, Chair

Performance, Achievements and Future Priorities

This report and related accounts covers the period 1 April 2017 to 31 March 2018.

Background

The Cross-Party Review of Fundraising in September 2015 proposed the creation of a new, voluntary regulator for all forms of fundraising in the charitable sector. This recommendation was supported by the Government, the National Council for Voluntary Organisations (NCVO), the Charity Commission, the Institute of Fundraising (IoF) and the Public Fundraising Association (PFRA).

The Fundraising Regulator was formally launched on 7 July 2016, taking over responsibility for fundraising regulation from the Fundraising Standards Board (FRSB) and taking ownership of the Code of Fundraising Practice and the Rulebooks on Street and Door-to-Door Collections. The Regulator is currently funded through an annual voluntary levy on charities spending £100k or more on fundraising, and registration fees for charities below that threshold.

The Fundraising Regulator is a not-for-profit company limited by guarantee. Its Board is openly recruited and additional non-executives with specific expertise are co-opted to its three committees. The Board added to its two existing Committees – Standards, and Complaints and Investigations (formerly Adjudication) - by establishing a Finance, Audit and Risk Committee in 2017.

Recruitment of the staff team has continued as our work expanded in 2017, but we remain relatively small with 17 staff. The Fundraising Preference Service was launched in July 2017 and work has begun to upgrade our website. In addition, a new, three-year Strategic Plan (2018–2021) has been developed to follow on from our initial two-year business plan.

Vision, Mission and Values

Our vision is a society in which fundraising is ethical and encourages sustainable giving, where donors and fundraisers have respect for each other.

Our mission is to regulate in a way that:

- Promotes and supports a culture of ethical fundraising, protecting the public, donors and potential donors, not least those who may be vulnerable, and creating a positive donor experience.
- Provides redress for donors when things go wrong.
- Enhances and sustains public confidence in charitable fundraising and charities.
- Ensures the highest fundraising standards across the UK.

Our values will ensure that we:

- Are independent, transparent, fair and proportionate.
- Make sure that the public has a voice.
- Give equal weight to regulatory action and support/guidance for the sector and for the public.
- Work with other regulators and representative bodies in the charitable and fundraising sectors to achieve our mission.
- Ensure value for money in our operation.

We regulate all forms of charitable fundraising, whether or not individual charities have paid the levy and/or registered with us. We also regulate other philanthropic and benevolent organisations that carry out fundraising, and commercial firms and agencies who work in the fundraising sector.

A key priority has been to continue to raise our profile with, and gain the confidence of, the charitable sector and the public. Again this year we have carried out around 100 speaking engagements (conferences, seminars, meetings) and met a variety of individual charities. We have continued to build positive working relationships with fellow regulators and key bodies in the sector, including the Charity Commission and its counterparts in Scotland and Northern Ireland, the IoF, Higher Education Funding Council for England (HEFCE) now the Office for Students, the Information Commissioner (ICO),the Independent Panel in Scotland, NCVO, ACEVO, Wales Council for Voluntary Action (WCVA), Scottish Council for Voluntary Organisations (SCVO), Northern Ireland Council for Voluntary Action (NICVA), CO3 and the Office for Civil Society.

We have Memorandums of Understanding in place with the Charity Commission for England and Wales and the Charity Commission for Northern Ireland, IoF, Office for Students, and the ICO.

Transparency has been a key consideration. We have:

- Published our 2017-18 business plan, budget and key performance indicators (KPIs) on the website.
- Communicated extensively via the website, a monthly newsletter, press releases, Twitter and webinars.
- Carried out consultations on the levy and registration, and changes to the Code of Fundraising Practice.

Media interest, both sector and national, in the Fundraising Regulator remains strong. Coverage is now generally more balanced and positive than it was in the start-up period, reflecting the sector's acceptance of us and our growing maturity as a regulator.

Geographical scope

The Fundraising Regulator's remit covers England, Wales and, more recently, Northern Ireland. Charity regulation is a devolved matter in Scotland and Northern Ireland. The decision has been taken in Scotland to operate a model where Scottish charities registered with the Office of the

Scottish Charity Regulator (OSCR) are regulated by the Scottish Fundraising Standards Panel and charities operating in Scotland, but based and registered primarily in England and Wales are regulated by the Fundraising Regulator. Members of the public in Scotland thus need to interact with two fundraising regulators and two complaints processes.

The Code of Fundraising Practice is UK-wide.

What we have done

Our regulatory work in 2017/18 has included:

- Managing increasing numbers of complaints and investigations – 1,101 complaints resolved, of which 87% were closed within four weeks.
- Further developing the Code of Fundraising Practice – we have concluded three consultations and published two updates.
- Launching the Fundraising Preference Service on 6 July 2017 – the public have made over 16,000 suppressions of individual charities.
- Handling over 1,200 fundraising enquiries and providing information in 96% of cases within 14 days; in addition, we have had 185,000 visits to our website.
- Carrying out 342 meetings with key stakeholders.
- Increasing the number of charities and other organisations registered and signed up to the Code to over 3,000.
- Issuing guidance for smaller charities on fundraising and giving support on data protection and fundraising, in the context of the GDPR.

Complaints handling

Our complaints process, available on our website, is operating smoothly. In the period of these accounts we received a total of 1,080 complaints (713 in 2016-17) and resolved 1,101. When looking at the number of complaints received we have seen an 18% increase in the last six months of 2017-18 compared to those received in the same period in 2016-17.

In 2017-18 we dealt with 87% of complaints received within four weeks. Our aim is to continue to improve the time taken to resolve complaints so that in 2018-19 we deal with 90% of complaints within four weeks.

We continue to receive a large number of complaints that are outside our remit and, wherever possible, we have referred these to other bodies better able to help, such as the Charity Commission.

We have also received a significant number of complaints about fundraising charities or agencies that have not at the outset been made to the charities direct. We think it is better to give organisations an opportunity to respond to complaints before we become involved. This is often the quickest way to resolve a complaint and for the organisation concerned to implement learning. Unless we identify an issue with systemic implications, we will refer those complaints to the organisations concerned for them to consider in the first instance.

In addition we have completed 55 investigations into complaints about charities or third-party fundraising organisations. In 2018-19 our aim is to deal with 90% of investigations within 13 weeks.

Of those investigations, in 81% of cases the complaints were upheld, in that we identified breaches of the Code and made recommendations for improvement. These included, where appropriate, remedies for the complainants such as an apology or correction of website information. Summaries of the outcomes of a sample of our investigations are published on our website so that other charities can learn from the decisions we have issued.

We are currently reviewing the complaints reporting process that we inherited from FRSB, with the aim of improving and streamlining the system in future. In the interim we have sought information from those charities that spend the most on fundraising about the complaints they have received and the level of fundraising activity they have undertaken in 2017-18. We published an analysis report on complaints in May 2017 and will be publishing another report of that information in 2019.

In light of the high number of complaints we have received, and upheld, about how charities of all sizes have dealt with complaints from members of the public, we have also published guidance for charities on the key principles necessary for an effective complaints procedure.

Code of Fundraising Practice

We have continued to consult on changes to the Code of Fundraising Practice. We do so in collaboration with the NCVO, the IoF, WCVA, NICVA and the Scottish Fundraising Standards Panel. The consultations covered changes to the Code regarding complaint handling and online fundraising.

We will ensure the Code reflects changes required in regard to data protection and consent. A more wide-ranging review of the Code, including how it is organised, is also planned.

Fundraising Preference Service

It is pleasing that the vast majority of charities have responded to complaints and investigations responsibly and co-operated with our work. The creation of an FPS was a key recommendation of the Cross-Party Review of Fundraising.

The agreed model for the FPS provides members of the public with the means to manage their communications with charities and specifically, either online or via telephone, to opt-out of further direct marketing contact from named charities. FPS suppressions can in certain circumstances have statutory force under the Data Protection Act 2018. The FPS is available to the public in England, Wales and Northern Ireland and to members of the public in Scotland who wish to manage their contacts with charities registered in England and Wales.

In the first year there have been around 17,000 suppressions made by around 5,700 individuals against approximately 1,250 charities. We have sought to increase awareness through targeted advertising campaigns in the media and through raising awareness using consumer programmes on radio and TV.

FUNDRAISING PREFERENCE SERVICE

Enquiries and information

Over the year, we have continued to develop our website, with 185,000 visitors; responded to over 1,300 enquiries; signed up 2,500 Twitter followers; produced 11 editions of our newsletter (with around 4,500 subscribers); and brought together contact data from over 6,000 charities.

Levy and registration

We have continued with the second year of the levy based on the formula we established after a public consultation in 2016. Charities reporting spending over £100k on fundraising annually are asked to pay the levy, graduated according to the amount of spend. At the outset we committed to maintaining this as the basis for the levy for the first three years.

In response to some charities' concerns about basing the levy on 'historic' financial data, we agreed in levy year 2017-18 to review in some cases the levy amounts against the most recently reported expenditure on fundraising.

It is pleasing that most charities have paid readily in the second levy round. At 31 March 2018, 1,527 charities had paid the levy, including almost all the larger charities. Our estimate is that we will collect £1.87m from the second levy round (Levy Year 2) out of the £2.032m invoiced. This exceeds our target of 90% recovery.

Charities who have declined to pay the levy or not responded to our requests to pay (around 100 or 6% by number of those in scope) are identified, for reasons of transparency, on our Directory, which we launched in September 2017.

We remain committed to convincing this small minority that it is to their advantage to support the voluntary system of regulation. Evidencing a commitment to first-class fundraising can only help charities secure more individual, corporate and public donations.

Over the year we have seen evidence that, as the Regulator has matured, its brand has become better known. Our badge is now more prevalent in public fundraising campaigns and advertising; consequently, we believe its value to charities has increased.

The new reporting requirements of the Charities Act 2016 in relation to fundraising came into force in 2018 and we have reminded charities about the importance of complying with this legislation.

We launched a registration route for smaller charities and commercial fundraising firms and agencies in spring and summer 2017. Charity registration, for a fee of £50 per annum, was opened in March 2017 to all those fundraising charities in England and Wales who fall outside the levy. Over 1,000 charities have registered in the first year (March 2017 to March 2018). Around 100 fundraising businesses and agencies (at fees analogous to the levy) also registered. In February 2018, both levy payment and registration were extended to charities in Northern Ireland.

As with levy payers, registrants sign up to the Fundraising Promise and can display the Regulator's badge. We expect that income from registration will raise at least £150k per year based on the number of commercial fundraising organisations and charities who are within scope.

In autumn 2018 we will review the levy arrangements for year 4, exploring whether any changes need to be made.

Processing personal information

A key challenge for the sector (and a priority for the Fundraising Regulator) is the cultural change required to move to legally compliant processes in handling personal information in relation to direct marketing. The aim is that donors should be able to exert much greater control over their communications with charities. The FPS provides a proactive way of managing consent and a backstop for members of the public where charities have failed to observe the right lawful process for contact or otherwise behaved unethically.

In early 2017 the ICO fined 13 larger charities for breaches of data protection legislation. We took the lead in following up with those charities to ensure that the appropriate remedial action was taken.

The Fundraising Regulator, the Charity Commission and the IoF and the ICO have worked closely together on these issues, and in February 2018, together with the IoF, we issued comprehensive guidance for the sector on GDPR and fundraising, tailored in particular to small charities.

Over the past year, in part due to the combined efforts of the ICO, the IoF and ourselves, charities' awareness of the steps they need to take to comply with GDPR has increased, although there is still some way to go.

Performance measurement

In summary, the Fundraising Regulator's main achievements in its first 27 months have been to secure a smooth transition from the former regulatory arrangements to a better resourced and more effective regulatory system by:

- Developing an effective staff team, robust governance and regulatory systems.
- Establishing a clear and prominent profile and identity – we are independent, transparent, principles-based and accessible.
- Amending and updating the Code of Fundraising Practice.
- Developing and implementing a levy to provide a sustainable income.
- Developing and implementing a user-friendly and effective complaints process.
- Close working with key partners and stakeholders.
- Securing and maintaining widespread support across the sector.
- Establishing a registration system that enables smaller charities and fundraising agencies to demonstrate commitment to best fundraising practice.
- Developing and launching the Fundraising Preference Service.
- Publishing detailed guidance on data protection and fundraising.

Overall, there are encouraging signs that the Fundraising Regulator's work has played a part in persuading the charitable sector to move towards a positive cultural change in its approach to donors, balancing their needs with those of beneficiaries. We are encouraged by the cooperation we've received from charities and the degree of compliance with our recommendations following complaints.

Future priorities

A key challenge in 2018-19 will be to maintain the momentum of change in the way that charities approach fundraising, ensuring that donors have greater awareness about the control they can exert over their communications with and from charities. Usage of the FPS will be an important driver of change and we will continue to work to promote public awareness of this option. Our planned campaign in summer 2018 providing 76,000 FPS leaflets in doctors' surgeries is one example of this work.

We will also take further steps to raise the public's awareness of our complaints process as well as continuing to improve the speed at which we are dealing with complaints and investigations.

Working with the ICO and the IoF, we will continue to support the sector to achieve compliance with data protection requirements in relation to fundraising under the General Data Protection Regulation (GDPR) and the new Data Protection Act, which comes into force in May 2018.

We will continue to take a proactive approach to updating the Code of Fundraising Practice - for example, in key areas such as GDPR and online fundraising platforms. 2019 will see a major reorganisation of the Code, designed to make it more user-friendly. The sector's and the public's confidence in the Code lie at the heart of what we do, providing the yardstick for consideration of complaints and our investigations, and for ethical fundraising.

We will continue to produce guidance for charities, for example on the principles underlying effective complaints handling; share learning derived from our investigatory work; and review the annual complaints return to see whether improvements can be made. We will also carry out research in areas where complaints reveal systemic concerns about particular fundraising methods.

In autumn 2018, we will review the levy arrangements for year 4, having kept our commitment to maintain the levy on the same basis for the first three years.

Although we have developed and will continue to build good working relations with the larger charities and the large majority of umbrella bodies in the sector, we recognise that awareness of the role of the Fundraising Regulator amongst smaller charities is patchy. Raising this awareness will be a priority.

Gerald Oppenheim,
Chief Executive

Finance, Management and Governance

Financial review for period 1 April 2017 to 31 March 2018

Total recognised income in the accounting period 1 April 2017 to 31 March 2018 grew to £1,982k. Of this, £871k came from late payment or deferral of income from Levy Year 1 (1 September 2016-31 August 2017) and £1,048k from Levy Year 2 (1 September 2017–31 August 2018). There was also increased income from registrations of smaller charities and commercial fundraising organisations of £62k.

Allowing for expenses of £1,780k, the Regulator achieved a cash surplus of £203k in this year which has been taken to reserves.

As the levy year runs to 31 August, a proportion of levy and registration income (£816k) has been deferred to the period 1 April 2018 to 31 August 2018 in line with accounting rules. This sum will be recognised in that accounting period.

Our total income remains below the £2-2.4m the Cross-Party Review recommended the regulator needed to undertake its tasks effectively and restricts our ability to undertake more proactive activity.

Around 100 charities (mainly smaller ones) have so far not paid either Levy 1 or Levy 2. They remain within scope but continue to decline to pay. These charities are now clearly identified on the Directory as not having paid. We will continue to do all we can to convince these charities about the advantages of signing up to the Code and to pay our levy.

The Fundraising Regulator requires a base budget of around £2.0m for business as usual and it is just about achieving this level of funding through the present levy and registration payments. Consequently there is limited funding available to fully establish an adequate reserve. However, the position is improving and we have been able to add to reserves across the year.

The Regulator needs to improve and stabilise its funding stream from the levy and registration payments in 2018/19 so that it can carry out its regulatory tasks effectively. Our financial plans have been set out in the three-year Strategic Plan to 2021 that we have recently published. We agreed to maintain the same basis for the levy for the first three years and we are committed to reviewing it over the next year.

Going forward our Board has agreed to modify our accounting year end so it is in line with the levy year ie our next full year of accounts will start from 1 September 2018. As the levy and accounting years were out of sync it meant levy receipts straddled accounting periods. Consequently income from one levy year has to be deferred into the next accounting year in line with accounting rules. By changing the accounting year period there will be better alignment of income with the accounting period.

Cost centre	Budget 2017-18	Actual 2017-18	Variance
Casework & Adjudications	£218,000	£185,501	+£32,499
IT Projects	£103,000	£81,654	+£21,346
Secretariat	£126,000	£117,673	+£8,327
Policy & Communications	£205,000	£201,067	+£3,933
FPS	£466,000	£455,039	+£10,961
Finance & Levy	£203,000	£232,195	-£29,195
Professional Fees	£68,000	£59,734	+£8,266
Board & Governance	£131,000	£133,883	-£2,883
Administration	£84,000	£74,948	+£9,052
Premises	£107,000	£107,700	-£700
Public Engagement	£89,000	£130,568	-£41,568
Total	**£1,800,000**	**£1,779,962**	**£20,038**

With our levy and registration funding we have been able to expand our staff team – particularly to add staff to manage the growing volume of complaints work. Investment has continued in the development of core public-facing and management systems (particularly FPS and our website). Our budget spend has been slightly less than the published budget. The total costs of developing and running the FPS system was £455k (which was significantly below initial estimates). Ongoing annual running costs are around £330k per year, including both the web application and call centre support service.

Risk management

We maintain a robust system of risk management. Significant risks are identified and monitored regularly and mitigation is applied to reduce the likelihood of a risk crystallising.

Key risks are reported in a register and this is regularly monitored and reviewed by the Senior Management Team and by the Finance, Audit and Risk Committee (FAR). The Board also discusses the risk register at least twice a year.

The top three key risks currently being managed are -

- Funding risks – the levy is voluntary and not all charities within the scope of the levy have agreed to pay. Consequently, generating the level of funding that the Regulator needs to be effective is uncertain and costs of collection are greater than anticipated.
- Operational risks – implementing the new FPS system successfully has reduced the key risk to service delivery. Take-up has been lower than anticipated so demand-based service risks have diminished. Pressures have become apparent over the year with managing a growing complaints caseload and resources have been increased in this team.
- External risks – the Regulator is dependent on both the wider charity sector and Government support if it is to be successful.

Reserves

The Board agreed a reserves policy in September 2016 and the FAR formally reviewed this in February 2018.

The reserves policy aims to ensure that the Fundraising Regulator has adequate funds at any time to wind the company up in an orderly fashion so that its legacy can be passed on to any successor body and liabilities are met before it is closed.

At the present time reserves will be maintained at c.£400k (£200k in 2017/18) to ensure all contractual liabilities - for staff and contractors – can be met in the event of any wind-up. The level of reserves will increase as and when funding allows.

The longer-term policy is to maintain a level of reserves equivalent to between three and six months' expenditure – that is a range of £400k-£700k. Reserves at this level will ensure that, in the event of a significant drop in funding, the Regulator will be able to continue its current activities while consideration is given to ways in which additional funds may be raised.

Governance and management: the Board

The Fundraising Regulator is a company limited by guarantee with a Board of Directors. The Chair of the Board is supported by a Vice-Chair and eight other members as at 31 March 2018. In addition to the Board there are three sub-committees - the Standards Committee; the Complaints and Investigations (formerly Adjudication) Committee; and the Finance Audit and Risk Committee - that make decisions delegated by the Board. The Board is supported by an executive function, led by the Chief Executive. A list of members for each committee can be found on page 20.

There are ten members of the Board as at 31 March 2018; one member retired by rotation during the financial year, one new Board member (for Northern Ireland) was recruited and two existing Board Members were re-appointed for three-year terms following an open competition. Initial Board members were appointed for two-year terms. The Board has agreed to staggered second terms for some initial Board members to ensure that continuity and experience are retained whilst also attracting new expertise. Initial Board members are eligible to secure a further three-year term if reappointed. All future Board recruitment will be subject to open competition.

Board members collectively bring a range of skills and experience to the Board, including charitable activity, fundraising, law, communications and regulation. If additional skills are identified and cannot be provided by existing Board members then an open recruitment exercise would take place to address the skills gap.

The Terms of Reference for the Board are available on the Fundraising Regulator's website.

Key management pay

The pay of key management personnel is set by the directors on the recommendation of the Chief Executive after the posts have been benchmarked against similar posts in other charitable and regulatory bodies.

The Board met formally on five occasions during the period of this report. The focus of the Board over the year has included:

- Governance.
- Staffing and premises.
- Development and collection of the levy.
- Finance and risk management.
- Complaints policy and handling.
- Registration of charities and other bodies.
- Changes to the Code of Fundraising Practice.
- Operation of the Fundraising Preference Service.
- Communications planning and strategy.
- Data protection guidance.

Standards Committee

The role of the Committee is to:

- Exercise oversight of the Code of Fundraising Practice.
- Respond to issues of public concern and future changes in fundraising practice, including those resulting from new legislation.
- Take a proactive approach to issues, both to reduce the likelihood of complaints and to respond effectively when they arise.
- Access consumer opinion, for example through workshops with members of the public, ensuring that the needs and voices of donors and the public interest are at the centre of discussions about fundraising standards.
- Determine guidance and advise on the Code of Fundraising Practice, fundraising standards and practice generally and any other matter that the Board may wish the Committee to address.

The Committee includes two members of the Board, three external members and two observers. External members were initially appointed for two-year terms and have been extended for up to two years; any new appointments will be made competitively and will be for three years. The Committee met on six occasions.

During the year the Committee discussed:

- The Code of Fundraising Practice and the Rulebooks - suggested amendments.
- Communications and stakeholder engagement.
- Engaging with smaller charities.
- The work of the Commission on the Donor Experience.
- Fundraising Platforms.
- People in Vulnerable Circumstances.
- Draft guidance – various.

Complaints and Investigations Committee (formerly Adjudications Committee)

The role of the Complaints and Investigations Committee is to:

- Determine complaints arising under the Code of Fundraising Practice where resolution between the complainant and the respondent fundraising organisation has not proved possible.
- Initiate its own investigations and/or inquiries, where appropriate.
- Where a breach of the Code is identified, take remedial action against fundraising organisations, where appropriate.
- Following adjudication, reconsider a case remitted to the Committee by the Vice Chair of the Board or the External Reviewer:
    - Where a material defect in process is alleged or identified.
    - Where material new evidence becomes available (an explanation of why it was not made available previously will be required).
    - Where it is alleged that the Committee's decision is manifestly unreasonable (in the sense that it was not one that the Committee could sensibly make having regard to all of the relevant facts).
- Undertake any other relevant responsibilities, activities, decisions or duties that the Board and the Committee may decide to delegate to the Committee to perform on its behalf.

The Committee includes four members of the Board and three external members. External members were initially appointed for two-year terms and have been extended for up to two years; any further appointments will be made competitively and will be for three years. One member of the Committee resigned during the financial year and an Observer from the Institute of Fundraising was appointed in January 2017. The Committee met on five occasions.

Discussions during the year have included:

- External Review Process.
- Updates on current complaints and investigations.
- Casework performance.
- Annual Return Review.
- Complaints Trend Analysis.

Finance Audit and Risk Committee

The Terms of Reference for the Finance Audit and Risk Committee are available on the website. The Committee was formed in September 2017 and met on two occasions.

The role of the Finance Audit and Risk Committee is to:

- Review the financial forecast and budgets for the regulator.
- Consider the risk register and discuss risks facing the organisation.
- Review the levy policy and forecasts for the levy.
- Consider strategic HR and reward issues for the executive.
- Review policies on corporate governance eg fraud, data management, whistleblowing.

The Committee consists of three Board Members (now extended to four) and one external member appointed for two years.

Discussions during the year have included:

- Risk analysis.
- Executive pay.
- Reserves Policy.
- GDPR preparation.
- Anti-Fraud Policy.
- Review of options for the levy.
- Financial performance and budget.

Conflicts of Interest

Board and Committee members hold a range of executive and non-executive roles outside the Fundraising Regulator. A Register of Interests is held centrally by the executive and is regularly updated. Any actual or perceived conflicts are raised either in advance of or at the start of each Board and Committee meeting and are noted in the minutes.

If a member’s other interests cause or are perceived to cause a conflict of interest with the Fundraising Regulator’s regulatory functions, our procedures oblige the member concerned to declare the interest and withdraw from discussion and decision-making.

In the wake of interests disclosed the Chair played no part in the investigation into the Presidents Club as he had spoken at their event ten years earlier.

Executive Team

The Board and Committees are supported by an executive team of 17 staff. The Senior Management Team is made up of the Chief Executive and the Heads of Finance and Procurement, Policy and Communications, Secretariat and Corporate Services and Casework. The staff team includes permanent and fixed-term appointments and full- and part-time staff.

Name	Board	Standards Committee	Complaints & Investigations Committee	Finance, Audit & Risk Committee	Companies House appointment	Companies House resignation
Board						
Lord Grade	Chair				19.02.16	
Lucy Caldicott	Member					31.03.18
David Cunningham	Member	Member		Member	04.05.16	
Sacha Deshmukh	Member				09.03.16	
Suzanne McCarthy	Member	Chair			09.03.16	
Margaret Moore	Vice-Chair			Chair	09.03.16	
Richard Newton	Member for Wales		Member		01.12.16	
Walter Rader	Member for N.I.		Member		01.01.18	
Michael Smyth	Member		Chair		16.04.16	
Jenny Williams	Member		Member		09.03.16	
Jill Thompson	Member				19.04.18	
Kieron James	Member				12.06.18	

Name	Standards Committee	Complaints & Investigations Committee	Finance, Audit & Risk Committee
External Members			
Liz Barclay	Ext. Member		
Catherine Cottrell		Ext. Member	
Peter Hills-Jones		Ext. Member (to Nov 2017)	
Nick Jones	Ext. Member		
Sharon Martin			Ext. Member (from Oct 2017)
Andrew Nebel		Ext. Member	
Guy Parker	Ext. Member		
Observers			
Annemarie Devlin (Scotland)	Observer (from Jan 2018)		
Ceri Edwards (IoF)		Observer (from January 2018)	
Daniel Fluskey (IoF)	Observer		
Theresa Shearer (Scotland)	Observer (to Dec 2017)		

1 April 2017 to 31 March 2018					
Board Members attendance:	24.05.17	19.07.17	20.09.17	22.11.17	25.01.18
Lord Grade, Chair	Y	Y	Y	N	Y
Margeret Moore	Y	Y	Y	Y	Y
Sacha Deshmukh	N	Y	N	Y	Y
Jenny Williams	Y	Y	Y	Y	Y
Suzanne McCarthy	Y	Y	Y	Y	Y
Michael Smyth	Y	Y	Y	Y	Y
Lucy Caldicott	Y	N	Y	N	Y
David Cunningham	Y	N	Y	Y	Y
Richard Newton (for Wales)	Y	Y	Y	Y	Y
Walter Rader (for N. Ireland)					Y
Scotland Observer					
Attendance inc. Observers	8/9	8/9	8/9	7/9	10/10
Average attendance over 5 meetings = 89%	89%	89%	89%	78%	100%

1 April 2017 to 31 March 2018							
Standards Committee members attendance	04.04.17	01.06.17	05.07.17	07.09.17	11.12.17	18.01.18	08.02.18
Suzanne McCarthy, Chair	Y	Y	Y	Y	Y	Y	Y
Liz Barclay	Y	Y	N	Y	Y	Y	Y
David Cunningham	Y	Y	N	Y	N	Y	Y
Nick Jones	Y	Y	Y	N	Y	Y	Y
Guy Parker	Y	N	Y	Y	Y	Y	Y
IoF Observer	Y	Y	Y	Y	Y	Y	Y
Scotland Observer	N	N	Y	Y	Y	Y	N
Attendance inc. Observers	6/7	5/7	5/7	6/7	6/7	7/7	6/7
Average attendance over 5 meetings = 84w%	86%	72%	72%	86%	86%	100%	86%

1 April 2017 to 31 March 2018					
Complaints & Investigations Committee members attendance	03.05.17	28.06.17	05.09.17	01.11.17	16.01.18
Michael Smyth, Chair	Y	Y	Y	Y	Y
Lucy Caldicott	Y	N	Y	Y	Y
Catherine Cottrell	N	Y	N	Y	Y
Peter-Hills Jones	Y	Y	Y	N	
Andrew Nebel	Y	Y	Y	Y	Y
Jenny Williams	Y	Y	Y	Y	Y
Richard Newton	N	Y	Y	Y	N
Attendance inc. Observers	5/7	6/7	6/7	7/7	5/6
Average attendance over 5 meetings = 85%	71%	86%	86%	100%	83%

1 April 2017 to 31 March 2018		
Finance, Audit & Risk Committee members attendance	07.09.17	08.02.18
Margeret Moore, Chair	Y	Y
David Cunningham	Y	Y
Lucy Caldicott	Y	Y
Sharon Martin		Y
Attendance	3/3	4/4
Average attendance over 2 meetings = 100%	100%	100%

Chief Executive:	Gerald Oppenheim
Company Secretary:	Nick Allaway
Company number:	10016446

Registered office:	**Auditor:**	**Bankers:**
2nd Floor Can Mezzanine 49-51 East Road London N1 6AH	HW Fisher & Company Acre House 11-15 William Road London United Kingdom NW1 3ER	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

The Directors present their report and accounts for the period ended 31 March 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Fundraising Regulator's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The directors who served during the year are noted on page 20.

Auditor

The auditor, HW Fisher & Company, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Objectives

The object for which the Company is established is to promote and carry out the regulation of fundraising carried out by charities and not-for-profit organisations. There has been no change in this during the period.

Disclosure of information to auditor

Each of the Directors and senior managers has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information. The report was approved by the Board of the Fundraising Regulator on 25 October 2018.

Lord Grade of Yarmouth,
Chairman

Dated: 28 November 2018

For the year ended 31 March 2018

The Directors are responsible for preparing the report and the financial statements in accordance with applicable law and regulations.

Company Law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the Statement of Financial Activities including Income and Expenditure Account of the company for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Opinion

We have audited the accounts of Fundraising Regulator (the 'company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. 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 accounts:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the accounts 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 directors' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the directors have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the 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 accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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 our audit:

- the information given in the Directors' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' Report included within the Directors' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 accounts 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 directors were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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 accounts 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 accounts.

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sailesh Mehta (Senior Statutory Auditor)
for and on behalf of HW Fisher & Company

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
United Kingdom
NW1 3ER

Statement of Financial Activities
Including Income and Expenditure Account

For the year ended 31 March 2018

Income from:	**Notes**	**£ (2018)**	**£ (2017)**
Regulatory Activities	3	1,982,409	1,544,929
Investments	4	245	-
Total Income		**1,982,654**	**1,544,929**
Expenditure on:			
Regulatory Activities	5	1,779,962	1,300,232
Net income for the year/ Net movement in funds		202,692	244,697
Fund balances at 1 April 2017		244,697	-
Fund balances at 31 March 2018		**447,389**	**244,497**

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Current assets	Notes	£ (2018)	£ (2017)
Debtors	8	181,799	204,328
Cash at bank and in hand		1,150,551	755,908
Total		**1,332,350**	**960,236**
Creditors: amounts falling due within one year	9	(884,961)	(715,539)
Net current assets	5	447,389	244,697
Income funds		447,389	244,697
Unrestricted funds		447,389	244,697

Lord Grade of Yarmouth
Chairman

Company registration No. 10016446

Cash flow from operating systems	Notes	£ (2018)	£ (2017)
Debtors	8	394,398	755,908
Investing activities			
Interest recieved		245	
Net cash used in investing activities	9	245	
Net cash used in financing activities	5		
Net increase in cash and cash equivalents		394,643	755,908
Cash and cash equivalents at beginning of Year		755,908	
Cash and cash equivalents at end of Year		1,150,551	755,908

1 Accounting policies

Company information
Fundraising Regulator is a private company limited by guarantee incorporated on 19 February 2016 in England and Wales. The registered office is 2nd Floor, Can Mezzanine, 49-51 East Road, London, N1 6AH.

1.1 Accounting convention
Although the company is not registered as a charity, the accounts have been prepared in accordance with the company's Memorandum of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102 Section 1A of the "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") to reflect the not-for-profit nature.

The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern
At the time of approving the accounts, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income
Income is recognised when the company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Demands for voluntary annual levy income are issued in advance covering the period from September 2016 to August 2017. Such income is recognised on a receipts basis. At the year end, the levy income relating to the five months from April 2017 to August 2017 has been deferred.

Cash donations are recognised on receipt. Other donations are recognised once the company has been notified of the donation, unless performance conditions require deferral of the amount.

1.4 Expenditure
Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the company to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to the one activity in the statement of financial activities.

Governance costs comprise all costs involving the public accountability of the company and its compliance with regulation and good practice.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilties

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.
Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements
In the application of the company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Directors do not believe there to be judgements or estimates that would be considered critical to the financial statements.

3 Regulatory activities	**£ (2018)**	**£ (2017)**
2016/2017 Levy Income	871,162	885,879
2017/2018 Levy Income	1,048,833	
Registration Income	62,414	20,050
Set-up donations		639,000
Total	1,982,409	1,544,929
4 Investments		
Interest recievable	245	

5 Regulatory activities	£ (2018)	£ (2017)
Staff costs	809,425	677,827
Recruitment	18,711	49,042
Consultants	148,762	145,806
Office supplies	**25,057**	20,071
Events and conferences	23,130	8,837
Premises, utilities and rates	101,829	54,153
Research	14,941	70,073
Travel and entertainment	15,628	6,217
Legal and professional fees	54,514	85,125
IT and web project development	521,478	110,269
Board and CEO expenses	29,529	32,560
Subsistence	1,127	
Total	1,763,131	1,259,980
Audit and accountancy	16,831	40,252
Total	1,779,962	1,300,232
Analysis by fund		
Unrestricted funds	1,779,962	1,300,232

6 Staff Cost	2018	2017
Average monthly number of employees:		
Casework and Adjudications	4	3
Secretariat	3	1
Board and Governance	**1**	1
Finance and Levy	4	2
FPS	1	
Total	17	9
Staff Costs	**£ (2018)**	**£ (2017)**
Wage and salaries	682,312	417,685
Social security costs	70,091	36,982
Other pension costs	43,486	18,295
Total employment costs	**795,889**	**472,962**
Agency costs	13,536	204,864
Total staff costs	**809,425**	**677,827**

The Chief Executive was paid £70,651 plus £5,652 in employer's pension contributions to the NEST company pension scheme. One other employee earned more than £60,000 during the year.

The key management personnel comprise the CEO, Head of Policy and Communications, Head of Secretariat, Head of Casework and Adjudications, Head of Finance and Procurement. During the period, the key management personnel received £277,826 in wages and pension contributions.

Board members can claim a daily amount for attendance at meetings and undertaking other work on behalf of the Fundraising Regulator. This allowance is in line with sums common in other public regulators and enables the regulator to recruit individuals with the right expertise to its Board and Sub Committees. The Chair can claim £500 per day, Committee Chairs £350 per day and Board and Committee members £300 per day. Reasonable expenses are also paid for travel and subsistence costs.

During the period, 12 Board and Committee Members were paid £32,904 (£36,530 in 2017) in total for attendance and 5 Members were paid £5,941 (£2,656 in 2017) for reimbursed travel and subsistence.

7 Financial Instrument	£ (2018)	£ (2017)
Carrying amount of financial assets		
Debt instruments measured at amortised cost		19,521
Carrying amount of financial liabilities		
Measured at amortised cost	863,424	703,092
8 Debtors	**£ (2018)**	**£ (2017)**
Amounts falling due within one year		
Other debtors		19,521
Prepayments and accrued income	181,799	204,328
Total	**181,799**	**184,807**
9 Creditors	**£ (2018)**	**£ (2017)**
Amounts falling due within one year		
Other taxation and social security	21,537	12,447
Trade creditors	29,960	46,076
Other creditors	6,200	11,483
Accruals and deferred income	827,264	645,533
Total	**884,961**	**715,539**
10 Operating lease commitments	**£ (2018)**	**£ (2017)**
At the reporting end date the company had outstanding commitments for the future minimum lease payments under non-cancellable operating leases, which fall as follows:		
Within one year	1,046	1,394
Between two and five years		1,046
Total	**1,046**	**2,440**

11 Related party transactions

There were no related party transactions.