

**NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2019**

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A A J Pile	(Appointed 22 November 2018)
	Dr R Carr	(Appointed 22 November 2018)
	Ms A Tilley	(Appointed 22 November 2018)
	Ms P Clarke	(Appointed 22 November 2018)
	Dr F Dunworth	(Appointed 22 November 2018)
	Dr N Harrison	(Appointed 29 January 2019)
	Mr M Bettencourt	(Appointed 6 May 2020)
	Ms E Watson	(Appointed 6 May 2020)
	Mr M Hill	(Appointed 6 May 2020)
NNECL Director	Ms P Ambrose	
Charity number	1180793	
Principal address	Kemp House 152-160 City Road London EC1V 2NX	
Independent examiner	Frances Wilde FCCA DChA Warner Wilde Chartered Certified Accountants 4 Marigold Drive Bisley Surrey GU24 9SF	

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

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NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 JULY 2019

The trustees present their report and financial statements for the period ended 31 July 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 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 5 October 2018).

Objectives and activities

The charitable object of the National Network for the Education of Care Leavers (NNECL) is, for the public benefit, to relieve the needs of people who are in, or have spent some or all of their childhood in, public care by:

- providing advice, guidance and support and other services in order that such people may fulfil their potential as individuals;
- advancing the education of the public, service providers and the media by providing information and advice on the issues affecting the welfare of people in care and care leavers with the object of reducing negative stereotyping and social exclusion; and
- encouraging the improvement of services for care leavers and those still in care

in order to transform the progression of those with experience of being in care into and through further and higher education so that they thrive throughout their lives and careers.

NNECL was registered as a Charitable Incorporated Organisation on 22 November 2018. The period between November 2018 and 31 July 2019 was, therefore, primarily focused on establishing NNECL as an independent organisation, with the sustainable funding and staffing needed to continue to transform progression into and through further and higher education for care-experienced young people.

NNECL values the contribution made by volunteers who actively participate in our work through the National Strategy Group and regional groups.

We confirm that the trustees have had regard to the guidance issued by the Charity Commission on public benefit.

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

Achievements and performance

A new NNECL membership offer was launched in 2018-19 to start building a sustainable income. Alongside this, we applied for a three-year grant from the Esmée Fairbairn Foundation to provide transition funding whilst the membership base was being established and developed. Our application was successful and enabled us to move forward with operating NNECL as an independent entity.

Other activities and events during this period included:

- a successful annual conference in November 2018 at the University of Birmingham on the theme of *Wellbeing and Belonging*. Feedback from delegates highlighted the wide range of workshops available and the breadth of information with which practitioners were able to engage;
- the addition of a new Trustee, Dr Neil Harrison, who brought significant research expertise to the Board. Dr Harrison previously led the research for the NNECL- commissioned report, *Moving on Up*, which provided the first overall picture of care leavers in higher education.

We also launched a major new project, with grant funding from the UPP Foundation, to develop and test a new quality mark framework to improve support for care-experienced people in colleges and universities. In March 2019 we put out a call to find a Consultant and eight institutions from further and higher education to develop and test the new framework by participating in a pilot. On 22 May 2019, this new quality mark project was launched at an event in the House of Lords hosted by Bishop Tim Dakin and attended by Chris Skidmore, (then) Universities Minister.

We concluded the financial year with the successful recruitment of the first Director of NNECL

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to four month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. The charity is working towards maintaining this level of reserves.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a Charitable Incorporated Organisation.

The trustees who served during the period and up to the date of signature of the financial statements were:

Mr A A J Pile	(Appointed 22 November 2018)
Dr R Carr	(Appointed 22 November 2018)
Ms A Tilley	(Appointed 22 November 2018)
Ms P Clarke	(Appointed 22 November 2018)
Dr F Dunworth	(Appointed 22 November 2018)
Dr N Harrison	(Appointed 29 January 2019)
Mr M Bettencourt	(Appointed 6 May 2020)
Ms E Watson	(Appointed 6 May 2020)
Mr M Hill	(Appointed 6 May 2020)

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS


TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

The founding Trustees were appointed on the basis of their knowledge and previous involvement in activities related to the support of care-experienced and estranged students in higher and further education.

None of the trustees has any beneficial interest in the company.

The trustees' report was approved by the Board of Trustees.



Ms E Watson

Trustee

Dated: 16/10/2020

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

I report to the trustees on my examination of the financial statements of National Network for the Education of Care Leavers (the charity) for the period ended 31 July 2019.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement - matter of concern identified

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

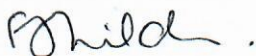
I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I have identified a matter of concern in my report because during the period a third party maintained the accounting records and some supporting documentation and explanations were not available. Improved in-house systems have subsequently been introduced.

I confirm that no other matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 except for the matter of concern noted above, the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I confirm that there are no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Frances Wilde FCCA DChA

Warner Wilde
Chartered Certified Accountants
4 Marigold Drive
Bisley
Surrey
GU24 9SF

Dated: 21 October 2020

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 JULY 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019
<u>Income from:</u>				
Donations and legacies	3	14,010	16,777	30,787
Charitable activities	4	1,443	-	1,443
Total income		<u>15,453</u>	<u>16,777</u>	<u>32,230</u>
<u>Expenditure on:</u>				
Charitable activities	5	<u>17,144</u>	<u>16,777</u>	<u>33,921</u>
Net expenditure for the year/ Net movement in funds		(1,691)	-	(1,691)
Fund balances at 22 November 2018		<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at 31 July 2019		<u>(1,691)</u>	<u>-</u>	<u>(1,691)</u>

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.

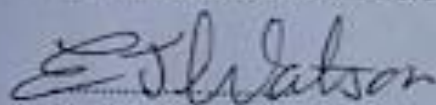
NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

BALANCE SHEET

AS AT 31 JULY 2019

	Notes	2019 £	£
Current assets			
Debtors	9	1,240	
Creditors: amounts falling due within one year	10	(2,931)	
Net current liabilities			(1,691)
Income funds			
Unrestricted funds			(1,691)
			(1,691)

The financial statements were approved by the Trustees on 15/10/2020.



Ms E Watson
Trustee

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 JULY 2019

1 Accounting policies

Charity information

National Network for the Education of Care Leavers is a Charitable Incorporated Organisation.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 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 5 October 2018). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements 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 financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity 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.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

1 Accounting policies

(Continued)

1.5 Expenditure

A liability is recognised when either a constructive or legal obligation is identified. Central costs are apportioned between costs of generating funds and charitable activities on the basis of the specific activities of members of staff. Irrecoverable VAT is allocated to the same expenditure heading as the cost to which it relates. Basic financial liabilities are recognised at transaction cost.

1.6 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.

1.7 Financial instruments

The charity 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 charity's balance sheet when the charity 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 liabilities

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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

1 Accounting policies (Continued)

1.9 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 charity's accounting policies, the trustees 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.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total
	2019 £	2019 £	2019 £
Donations and gifts	9,486	-	9,486
Grants receivable	-	16,777	16,777
Membership fees	6,375	-	6,375
Less: deferred income	(1,851)	-	(1,851)
	<u>14,010</u>	<u>16,777</u>	<u>30,787</u>
Grants receivable for core activities			
The UPP Foundation	-	16,777	16,777
	<u>-</u>	<u>16,777</u>	<u>16,777</u>

4 Charitable activities

	2019 £
Services provided under contract	1,193
Other income	250
	<u>1,443</u>

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

5 Charitable activities

	2019 £
Staff costs	21,645
Contracted services	449
External hospitality charges	6,632
Website and internet costs	605
Travel and subsistence	1,899
Printing, postage and stationery	277
Other staff costs	680
Sundry expenses	654
	<u>32,841</u>
Share of governance costs (see note 6)	1,080
	<u>33,921</u>
	<u>33,921</u>
Analysis by fund	
Unrestricted funds	17,144
Restricted funds	16,777
	<u>33,921</u>
	<u>33,921</u>

6 Support costs

	Support costs £	Governance costs £	2019 £	Support costs £	Governance costs £
Independent Examiner fees	-	1,080	1,080	-	-
	<u>-</u>	<u>1,080</u>	<u>1,080</u>	<u>-</u>	<u>-</u>
	-	1,080	1,080	-	-
	<u>-</u>	<u>1,080</u>	<u>1,080</u>	<u>-</u>	<u>-</u>
Analysed between Charitable activities	-	1,080	1,080	-	-
	<u>-</u>	<u>1,080</u>	<u>1,080</u>	<u>-</u>	<u>-</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

NATIONAL NETWORK FOR THE EDUCATION OF CARE LEAVERS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 JULY 2019

8 Employees

Number of employees

The average monthly number of employees during the period was:

2019
Number

2

Employment costs

2019
£

Wages and salaries

17,927

Social security costs

970

Other pension costs

2,748

21,645

9 Debtors

Amounts falling due within one year:

2019
£

Other debtors

1,000

Prepayments and accrued income

240

1,240

10 Creditors: amounts falling due within one year

Notes

2019
£

Deferred income

11

1,851

Accruals

1,080

2,931

11 Deferred income

2019
£

Other deferred income

1,851

12 Related party transactions

Two trustees received reimbursement of travel and subsistence expenses totalling £312.