



Annual Review

for the year ended 31 March 2021

CONTENTS

Message from our Chair	3
Trustees' report	5
Vision, mission, values	5
What we achieved	6
Our plans for the future	13
Financial review	16
Risk management	18
Independent auditor's report	21
Statement of financial activities	26
Balance sheet	27
Statement of cash flow	28
Financial notes	29
Trustees Management and advisors	47

Message from our Chair

As the chair of the board of trustees, I am delighted to introduce The Fostering Network's 2020-2021 annual report.

Our values of Trusted, Together and Vital have never been more important than over the 12 months to 31 March 2021. The Covid-19 pandemic dominated the lives of our members and the children and young people they cared for. As the UK's leading fostering charity, we were relied on to provide support, advice, and advocacy in a time of uncertainty and constant change.

You will see in this report that throughout this turbulent period we have maintained the excellent standards our members have come to expect; we adapted our communications through the pandemic ensuring foster carers and fostering services had a central hub for all the latest government guidance and legislation around the UK as well as resources to assist home educating and leisure time activities. We increased the frequency of our member e-newsletter to reflect the frequency with which guidance and practice information was changing.

Our existing programmes were also at the forefront of our support offer for members. Our growing Mockingbird programme was especially well placed to provide additional emotional and practical peer support to families during the lockdown periods due to its unique extended family structure. We were also able to launch our Walking Tall project in Wales which will provide opportunities for primary school aged children in foster care to make their voices heard and enable them to reach their full potential.

In the following pages you will also notice how we managed to maintain and extend our help and advice services, throughout a period of home working, in order to offer members that vital outlet for free, independent, expert knowledge and information.

The pandemic also posed challenges for the fostering sector with regards to changes in guidance and legislation, much of which was passed by the parliaments of the UK at speed in order to combat the quick spread of the virus. However, fostering was often neglected in the rush which is why we launched our Fund Foster Carers campaign which focused on ensuring financial support for foster carers who were unable to work due to Covid, either because they were ill or because the nature of their fostering could not take place i.e. respite carers.

We also led the way in advocating for foster carers to be given priority for receiving the Covid-19 vaccine as frontline workers in line with their social worker colleagues in fostering services.

Another integral part of what The Fostering Network does is celebrating fostering and raising awareness in wider society of the positive and transformational effect foster care has on the lives of children and young people, as well as the families they live with. This was no different in 2020-21 although the form of the celebrations was slightly altered. Our annual Fostering Excellence Awards, Sons and Daughters Month and Foster Care Fortnight™, the UK's largest fostering awareness campaign, were all transformed into digital only initiatives, but were still hugely successful and impactful reaching hundreds of thousands of people.

Of course, we can only undertake much of this activity thanks to the generosity of organisations and individuals who support our work through grants, donations, and sponsorship.

I would like to take this opportunity to thank the staff of The Fostering Network for keeping the essential services, programmes and campaigns running throughout the last year. Huge thanks also to our incredible members, partners, supporters, and campaigners for everything they have

The Fostering Network Annual Review 2020-21

done to support The Fostering Network and the fostering community as a whole. Their commitment to children and young people in foster care cannot be overstated in the last 12 months amid an unprecedented pandemic which has disproportionately impacted some of the most vulnerable in our society in a negative way, including children in care.

I look forward to the coming year working to ensure that fostering continues to improve for everyone involved and the children and young people who enter care experience the security, stability, safety and love that we all need.

Janet Smith

Chair of trustees

Trustees' annual report (including strategic report)

About us

The Fostering Network is the UK's leading fostering charity. We are the essential network for fostering, bringing together everyone who is involved in foster care. We support foster carers to help to transform children's lives and we work with fostering services and the wider sector to develop and share best practice.

We work to ensure children and young people experience stable family life and we are passionate about the difference foster care makes. We champion fostering and seek to create vital change so that foster care is the very best it can be.

Vision

Our vision is a society where the importance of fostering is understood, recognised, and supported.

Mission

Our mission is to support those who foster, improve opportunities for children and young people in foster care, and provide expert guidance to all fostering services.

Values

We are trusted – expert and independent.

We are together – a network, working in partnership, for community, for members.

We are vital:

- for raising awareness of fostering
- for creating change
- for up-to-the-minute information, advice, and support for foster carers, fostering services and fostered children and young people – the whole fostering community.

What we achieved – some highlights

The Fostering Network brings together everyone involved in the lives of children and young people who are fostered to make foster care the very best it can be. In the 12 months to 31 March 2021, working with our members and other stakeholders, we took significant steps towards meeting our four strategic objectives. Here are some of the highlights from the year.

Objective: We will support fostering families and the services that work with them to provide the best possible care for children and young people.

Our range of innovative programmes, comprehensive training, resources, and celebratory events have supported and connected our members across the UK. Through our work we have promoted and shared the incredible work our 370 fostering service and 55,000 foster carer members are doing every day to help make foster care the very best it can be.

In the 12 months to 31 March 2021, we offered a wide range of training courses and workshops across the UK. In total, The Fostering Network delivered 58 courses to 735 delegates.

To support our members further we delivered free, short courses and seminars focusing on areas to support foster carers during Covid 19 including: support for foster carers during the transition to the 'new normal', helping children and young people through the transition to new normal, supporting virtual contact with birth families and digital safeguarding courses.

The practice support team, which provides specialist practice support and expertise to fostering services, handled 1,005 enquiries last year and attended 180 local and regional fostering forums.

We continued to directly support the fostering community through our advice and information services throughout the UK, responding to 5,868 enquiries in total. We also gave free legal advice and stress support to callers through our legal advice line and our stress support service. The latter was able to give sustained support to recipients for as long as they required it, which was on average eight months.

From April 2020 to March 2021 we continued to support more fostering families and the children and young people in their care through our Mockingbird programme. The programme ran 49 events this year and had a total of 751 attendees including foster carers, fostering service staff, children and young people. The Mockingbird programme also proved particularly useful in the face of the coronavirus crisis. The extended family model provided extra support for foster carers and the children they look after throughout this difficult time.

The Fostering Network Annual Review 2020-21

Objective: We will provide opportunities for children and young people that benefit them, make their voices heard and enable them to reach their potential.

We worked directly with children and young people in foster care throughout the past year.

As part of the Fostering Attainment and Achievement programme, commissioned by the Northern Ireland Health and Social Care Board, we directly supported children and young people of various ages with tailored educational resources and initiatives. We did this through the delivery of bespoke educational resources and initiatives such as the Letterbox Club, and our range of different summer schemes.

We launched our three-year Walking Tall programme for primary school children in foster care in Wales, enabling them to make their voices heard, whilst also learning to develop and to gain in self-confidence and be proud of who they are.

Our Young Advocates group in Scotland is led by young people with care experience and the children of foster carers, and creates learning opportunities for teachers and trainee teachers about the day-to-day experience of educational settings for young people in foster care. It also provides training for foster carers to help build their awareness of how they can best support the children and young people in their care. In the last 12 months eight care experienced young people engaged with the project, 19 foster carers and four organisations. There were 70 sessions delivered as part of the project.

We have also heard the views of young people and their experiences of care through *Thrive* magazine for children and young people in foster care, and our UK-wide member magazine *Foster Care*, in the Fostering Changed Me feature.

Our Tick the Box campaign continued to inform young people about the support available to them during their time at university and how to access it.

Objective: We will influence policy and the legislative framework, so it supports and promotes excellence in foster care.

Campaigning and influencing policy at every level to ensure foster care is the best it can be for all involved is a key area for the organisation.

A key aspect of successful foster care is stability especially in post-18 (post-16 in Scotland) arrangements. To improve these arrangements, we secured an additional £10 million for Staying Put, which was announced in October 2020. We continue to monitor the implementation of Staying Put, and have conducted 'deep dives' with four fostering services to understand the issues and we are feeding back to the Department for Education.

Financial support for foster care underpins much of the practice within fostering so it is crucial to ensure it remains at an adequate level. We monitored the fostering allowances paid across England and Wales and called for those paying below the national minimum to raise it. As a result, four of the six local authorities in England paying under the minimum raised and backdated their allowances to meet the national minimum allowance.

Reacting to the Covid-19 pandemic we ran a vaccines campaign in which we wrote to key health and vaccines Ministers across the UK raising the profile of fostering, explaining foster carers' unique caring role and why they should be prioritised. Our campaign action resulted in 1,996 letters being sent to MPs in England and 1,898 letters being written to elected officials in Scotland.

We also ran our Coronavirus Fund Foster Carers campaign. We, along with TACT, CoramBAAF and NAFP, wrote to Ministers across the UK asking them to fund foster carers during the Covid-19 outbreak. We highlighted how foster carers are facing financial insecurity after falling through the gaps of government funding. We met with Vicky Ford about this issue and numerous occasions, including one occasion when we were joined by a foster carer.

We launched our education survey which received 487 foster carer responses representing 870 fostered children and young people from across the UK. We received 48 responses from fostering service members of staff. In addition, we were able to gather the thoughts and feelings of a small group of children and young people about their experiences of education and thoughts about returning to school appended to the report. The evidence gathered in this survey informed the oral evidence we gave to the education select committee.

During the pandemic we became aware of big delays on medical reports for foster carer approvals. We liaised with officials, Royal College of GPs & the British Medical Association (BMA) to raise awareness of the issue and the Royal College and BMA released a joint statement to their members.

After months of campaigning to government officials in England for access to short breaks for foster families, we were delighted that this vital form of support was allowed for those who needed it during the pandemic.

In conjunction with the proactive work we undertook to influence policy and practice in 2020-21 we also submitted responses to 11 consultations:

The Fostering Network Annual Review 2020-21

1. The Health Committee for **Northern Ireland** asked us to submit a [stakeholder briefing on COVID-19 and children](#). We also gave oral evidence.
2. The Education Select Committee in **England's** [inquiry into the impact of COVID-19 on education and children's services](#). We also gave oral evidence.
3. The Education and Skills Committee in **Scotland's** inquiry into [vulnerable children during the coronavirus outbreak](#).
4. **Our Future Wales'** consultation into [post-covid recovery and reconstruction in Wales](#), calling for children to be at the heart of recovery.
5. The Children, Young People and Education committee in **Wales'** inquiry into the [scrutiny of COVID-19 and its impact on children and young people](#).
6. The Education Select Committee in **England's** second inquiry into [the impact of COVID-19 on education and children's services](#).
7. The Department for Education in **England's** consultation of changes to the adoption and children regulations: coronavirus (COVID-19) in [August 2020](#) and [February 2021](#).
8. The **Welsh Government's** consultation of [the Adoption and Fostering \(Wales\) \(Miscellaneous Amendments\) \(Coronavirus\) Regulations 2020](#).
9. **Northern Ireland's** consultation on [the extension of operation of the children's social care regulations](#).
10. Proposed changes to the IRM for qualifying determinations (Wales)
11. We also provided The Promise in Scotland with evidence to inform their decision making in the writing of their plan to implement the promise.

Objective: We will promote foster care to ensure society understands, values, and recognises how foster carers transform lives.

Throughout the year we responded to fostering issues in the news, regularly offering comments and interviews to press and broadcast media.

In addition, we proactively released our own reports and statements to inform the fostering sector and wider public of our work and the work and views of our members. In total we received over 1,000 pieces of media coverage throughout the year, reaching tens of millions of people.

We raised awareness of the many positive aspects of foster care by utilising all channels available to us, including social media. We increased our following across all our social media accounts in the past 12 months.

An important time for disseminating our message of the importance of foster care is during our Foster Care Fortnight™ campaign – the UK's largest fostering awareness and recruitment campaign – which again reached hundreds of thousands of people through new and traditional media.

Our Fostering Excellence Awards are another opportunity for us to shine a spotlight on the transformational power of foster care. They are the UK's most prestigious foster care awards, celebrating outstanding achievement in fostering and recognising those who make exceptional contributions to foster care every day.

In addition, we presented four remarkable people from the fostering community in the four countries of the UK with a President's Award.

The Fostering Network Annual Review 2020-21

Our annual Sons and Daughters Month campaign in October celebrated the hugely significant role the children of foster carers play in ensuring fostered children and young people have a loving stable home.

We have continued to work with a range of long-standing partners this year. The Mortgage Brain, who are foster carer mortgage specialists, and Williams Giles, who are fostering tax specialists, have both worked closely with us throughout the year, supporting our members and key activities such as Foster Care Fortnight and the Fostering Excellence Awards. All our partners have helped us to raise awareness of the importance of fostering, supported our work and raised vital funds for The Fostering Network. We are grateful for their ongoing support and contributions.

Our Fundraising

We are grateful to all the donors, supporters and funders who joined us in our cause and supported us to achieve our mission across the UK.

The Mortgage Brain, Arthur Cox, Williams Giles, and Towergate continued their support for us through partnerships and from staff fundraising events and activities over the year.

We are grateful to all partners – The Mortgage Brain, The Exilarch's Foundation and Williams Giles who chose to sponsor our prestigious Fostering Excellence Awards again this year.

Social restrictions under the pandemic had an impact on our community and events fundraising, with many events unable to proceed. We adapted our Foster Walk event to a virtual home challenge in June that saw 76 households take part across the UK: foster families, teams from corporate partners and fostering services, staff, and trustees.

Our community supporters continued their support by organising their own events: a foster carer began a months-long wild swimming challenge, St Patrick's PTA held a 'round the world in 30 days' fundraising event, and pupil Nellie Gawne organised a fundraising day at Downe House School.

Our Emergency Covid appeal saw a groundswell of support with over £12,000 raised which enabled us to provide additional support for foster families during the pandemic. We were also awarded two Covid relief grants through the Scottish Government's Third Sector Resilience Fund and Wellbeing Fund.

We are grateful to all our grant funders, including the National Lottery Community Fund, The Scottish and Welsh Governments, The Corra Foundation and Nominet whose support has enabled us to design and deliver innovative projects that are improving foster care across the UK.

Fundraising practice

Our fundraising activity is focused on organisations and individuals that have an established relationship with The Fostering Network.

We support and adhere to the code of practice of the Fundraising Regulator and pay their levy. During the year we did not receive any complaints related to fundraising, we followed the best practice recommended by the Fundraising Regulator in order to protect vulnerable people and did not use third parties to raise funds on our behalf. The majority of fundraising expenditure is staff time and a significant proportion of this is spent developing formal bids for major projects and services. During the year, the team supported operational staff in winning numerous grants and contracts.

We would like to recognise the enormous contribution that the following funders and supporters have made to our work over the year and to thank them for their vital support, as well as all our generous donors and fundraisers.

The Fostering Network Annual Review 2020-21

Arthur Cox	Salvation Army
Axa XL	Scottish Government
Bayview Contracts	Sean Jordan Engineering
BBC Children in Need	Sir Jeremiah Colman Gift Trust
Bloomfield Collegiate School	Sir John Cass's Foundation
British and Foreign School Society	Souter Charitable Trust
Casey Trust	Syder Foundation
Child Concern Consortium	The family of Charlotte Elizabeth Gray
Clara E Burgess Charity	The Harrison Frank Family Foundation
Coral Samuel Trust	The Hugh Fraser Foundation
DCR Allen Charitable Trust	The Larder Foodbank
Department for Education (England)	The Mortgage Brain
Department of Health, Social Services and Public Safety (Northern Ireland)	The Porta Pia 2012 Foundation
Exilarch's Foundation	The Robertson Trust
Food, Fun and Philanthropy	The W M Mann Foundation
Health and Social Care Board, Northern Ireland	Towergate Insurance
Life Changes Trust	Ulster Garden Villages
Mrs M A Black's Charitable Trust	Vassiliou Family Charitable Trusts
Murphy-Neumann Charity	Waitrose
National Lottery Community Fund	Welsh Government
Northwood Charitable Trust	Wexbaby
Patricia Dalby Charitable Trust	Young Start Fund
Ruth Flood Associates	

Our future plans

We start the next 12 months with some of the same challenges as last year regarding the coronavirus pandemic. Although this will continue to impact upon some of our activity, many of the measures already in place will help us operate effectively and efficiently. We anticipate that this move to online provision will continue and grow through 2021-22. As ever we will continue to strive for improvements to and within fostering to ensure it is the best it can be, especially in light of the impact of coronavirus on the fostering sector.

We will continue our work to address equality, diversity and inclusion within our charity and ensure we are able to play an increasingly positive role in opposing racism and prejudice in the future. We will also continue to develop approaches that enable us to play our part in being an instrument for change in tackling racism in society, especially when these impact on fostering.

In the strategic period up to 2023, we will continue to focus on deeper engagement with our members, developing our evidence-based practice – including building relationships with research academics – and ensuring that we continue to grow our influence in the fostering community. Here are some of the activities we have planned:

Member engagement

- Ensuring we listen to our membership is essential to ensure we remain effective and relevant. Coronavirus precautions will mean that our face-to-face events will still be curtailed, but our online interactions will increase in the form of webinars, training courses, and consultations. In this way we will continue to hear the views of our members so that we can represent these views to key stakeholders and decision makers.
- We will be sharing our State of the Nation survey results with members and running exclusive events which will be open to foster carers as well as local and national policy and decision makers towards the end of 2021 and beginning of 2022. These events will explain the findings in detail and help us work together to implement recommendations that foster carers and children in foster care want to see.
- As part of the review of children's services in England we will hold engagement events with foster carers, fostering services and members of the Review's team. The views and experiences shared at these events will help shape the evidence we give to the Review as well as contributing directly to the Review team's understanding of the current fostering landscape.
- We will continue to gain useful insight into supporting children and young people with their education, especially in light of coronavirus. As a result of this insight we will develop education projects and programmes which will help close the attainment gap between children in foster care and their non-looked after peers.
- Following feedback from our members, we will further develop our member offer for family and friends carers.
- We will continue to host our Fostering Excellence Awards online to ensure we continue to shine a spotlight on the incredible achievements of the fostering community.

Evidenced-based practice

- We will use the findings of our 2021 State of the Nation's Foster Care survey, as well as other surveys and focus groups throughout the year, to guide our campaigns, policy and practice work.
- We will continue to review our resources and information to ensure we offer the most appropriate content.
- We will continue to develop our training offer, growing the range and scope of courses and ensuring that our training remains in line with current best practice and legislation.
- We will also seek to build new partnerships and improve the range of services and discounts we provide to our members.
- We will campaign to influence the scope of this review by ensuring fostering is kept on the agenda. Working with and contributing to the Review of Children's Services in England will be a key part of this activity over the next 12 months.
- We will develop closer working relationships with research disseminators such as What Works and Research in Practice and relevant academics.
- We will further develop our view on the impact of a change of employment status for foster carers and how to support the sector were a change to take place.

Growing our influence

- We will continue to work towards our vision of a society in which the importance of fostering is understood, recognised and supported.
- We will continue to work to improve the status of foster carers within the team around the child. One key way of doing this will be to push for a central register of foster carers.
- We will respond to The Children, Young People and Education Committee at the Senedd, to help inform the Sixth Senedd (2021-2026).
- We will embed the Wales national transfer protocols into practice.
- The Fostering Network will work closely with The Promise in Scotland to implement change to help align to The Promise by reviewing policies and use of language as well as embedding children's rights across all activities and projects.
- We will run workshops and offer therapeutic sessions as part of year one of our Moving On project, which explores the emotional impact of moves away from foster carers, on all those involved.
- Following the Northern Ireland Executive approval of the Adoption and Children Bill which will now be subject to scrutiny, we will be working to ensure this key piece of legislation is prioritised, appropriately funded and implemented, as well pressing for the implementation of fostering regulations and standards.

The Fostering Network Annual Review 2020-21

- Engaging with foster members on policy and practice issues, specifically education and mental health, will be a key priority.
- Embedding Step Up Step Down service in Northern Ireland, and across the UK, as a model of practice using foster carers to support vulnerable families.
- We will continue to campaign for the proper funding and implementation of post-18 care across the UK, including influencing the comprehensive spending review.
- We will develop our Young Advocates programme in Scotland, which will enable young people with care experience to influence the education system.
- We will launch our Fostering Digital Skills for Life project which aims to support foster carers to improve their digital skills leading to a positive impact on the digital resilience of children in their care.
- We will continue as a member of the Alliance for Children in Care and Care Leavers in England.
- We will continue to strive to grow the reach and impact of our awareness raising work through the media, social media and campaigns such as Foster Care Fortnight, Tick the Box and Sons and Daughters Month.

Key Management Personnel

The Charity's trustees and the senior leadership team comprise the key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day-to-day basis. The pay of the Chief Executive is reviewed annually and increased when possible following formal approval by the trustees. Key managers and all staff are part of a formal grading system that facilitates fair and transparent comparison of roles. The bands are reviewed each year and salaries are increased when possible following formal approval by the Chief Executive and Trustees.

Country advisory committees

We have a dedicated group of members who form the Country Advisory Committees, chaired by Janet Smith (Scotland), Dr Karen Winter (Northern Ireland), In Wales this work is supported by a foster carer advisory group. In Scotland this committee includes a care experienced young person. The pandemic made meetings more difficult to arrange for these committees.

We thank the chairs for their contribution to furthering the work of the organisation in the countries, and the hard work of the committee members who give of their time to help guide our work and who are invaluable in helping us ensure that foster care works for every fostered child and every foster family.

Financial review

The Fostering Network started the year in a government enforced lockdown to fight the global pandemic. This placed severe restrictions on face-to-face support while at the same time increasing the demand for our services as we provided our members with advice and information reconciling best care practice with constantly evolving government advice.

The restrictions reduced income from fundraising (£45K) and training and events (£137K) but continued growth in Membership (£35K), Consulting (£76K) and the Northern Ireland Fostering Achievement and Attainment project (£98K) has left unrestricted income marginally improved at £5,247K, an increase of £45K.

Income from restricted projects reduced from £1,643K to £1,183K between the years as some projects were successfully completed. This reduced total income from £6,845K to £6,430K.

The combined income from advice, consulting and publishing has grown 9% from £850K to £926K, the growth is driven by the successful Mockingbird programme a key part of the range of high-quality services that The Fostering Network provides to support its members.

In 2019 the trustees agreed that total reserves had reached the levels necessary to ensure the long-term sustainability of the Charity, to provide for working capital and to meet our evaluated risks policy. As a result, operational plans for 2020/21 had been set to maintain reserves at these levels. Charitable expenditure on unrestricted activities increased by 3% to £5,136K with expenditure on membership services increasing by 7% to £2,842K. This increase helped The Fostering Network deliver its strategy goal to improve member services particularly through support during the pandemic.

The Fostering Network Annual Review 2020-21

In 2019/20 the trustees set aside funds to develop new IT systems and in 2020/21 we made a significant step forward as part of our digital transformation program. Despite the great challenge of making a main computer system change during the pandemic the project has been completed successfully and in line with the agreed budget. During the year the charity carried some duplicated IT infrastructure costs while moving from one system to another and this has caused a short-term increase in operating costs for IT.

The financial impact of the pandemic on the financial results of the charity for the year ended March 2021 was less than we expected despite a spike in operational costs to support homeworking for all staff and a reduction in fundraising and training income. Overall, the net unrestricted surplus was £23K and while this was below our operational plan for the year it was better than our expectations once the scale of the pandemic was understood.

Cash balances have decreased during the year by £313K due planned capital investment in IT and a reduction in restricted funds. During the year the trustees agreed to borrow £250K from a CBIL loan in order to support the charity as it managed the transition back to normal operations as the pandemic restrictions are eased.

In keeping with the charity's policy of holding owned property at market value the Trustees have taken advice about the property market which had been destabilised by the pandemic. The last formal valuation was prepared by Lamberts LLP in December 2018 at £3,550K and at the end of March 2020 it was reduced by £443.8K (12.5%) guided by advice from Lamberts LLP. The trustees have made no further change to the property value year following written advice from Lamberts LLP in July 2021.

Total unrestricted reserves have increased overall by £23K but total reserves reduced because of a drop in restricted funds and are now £3,430K.

General reserves policy

In deciding on the level of unrestricted reserves required the board of trustees carries out an annual review to establish the level of reserves necessary to cover future investment, working capital and evaluated risks.

The policy for the level of unrestricted general reserves is now guided by a detailed evaluation of the risks included in the risk register. Each risk is valued and then that value is discounted by a percentage based on the likelihood of that risk occurring. The reserves also provide for any material future investment plans (shown last year as a designated reserve), and for specific working capital required to manage large projects.

On this basis, general reserves required are calculated at £1,220K. At the year end, the charity holds general funds £3,092K which is tied up in property with overall cash balances of £724K. Property is held at market value of £3,106K, which remains a significant asset should there be a need for additional funds. On this basis, reserves are considered to be in line with the reserves policy.

Going concern

We have set out above a review of the financial performance during the financial year and our reserves position at the year end. We have adequate financial resources in the form of cash in the bank, the ability to raise financing secured on the charity's property and have the structures in place to manage the business risks. In addition, our annual budgeting and forecasting processes have taken into consideration the current economic climate and its potential impact on both our various sources of income and expenditure.

We have a reasonable expectation that we have adequate resources and control mechanisms to continue in operational existence for the foreseeable future.

Further, we believe that there are no material uncertainties (and this includes the global pandemic) that may cast doubt on the charity's ability to continue as a going concern. Therefore, we continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk management

The trustees have identified and reviewed the major risks to which the organisation is exposed and have established systems and procedures to manage those risks. This involved identifying more than 50 potential risks and then assessing the likelihood of their occurrence and their impact. Where systems are already in place to mitigate these risks, schedules for regular monitoring and reviews have been adopted. Where systems are not already in place, deadlines have been set for their development by staff and approval by trustees.

In managing risk, trustees have taken into account the following principal areas of risk.

Diversity of income streams and the significance of membership income. We have increased the staff and cost budgets to support members to provide improved services and have continued to strengthen other income such as Mockingbird. In the coming year we will take steps to strengthen and diversify our income streams.

Ensuring child safety. We ensure staff are trained and supported in their work with Children and that appropriate policies, risk assessments and statutory checks are carried out.

Clarity of long-term strategic plans. The trustees meet each year to review and assess long-term strategic plans.

Global Pandemic. The trustees have reviewed and evaluated the potential impact of the global pandemic on our short term and long-term income and expenditure. We have provided for the evaluated impact in the total unrestricted reserves required total of £1,220K.

Maintaining adequate reserve levels. We set a reserves level that reflect a financial evaluation of the specific risks that we face together with our fixed asset and working capital plans. We then set annual operating plans in order to ensure that we maintain enough reserves or so that we build towards the agreed level of reserves if there is a shortfall.

The Fostering Network Annual Review 2020-21

Financial management and financial control. We use professionally qualified staff in our accounts department and have detailed budgets and operating plans that are reported against each month.

The physical condition of the principal property asset at 87 Blackfriars Road. We recognise that this property represents most of our financial reserves and we have an annual maintenance plan to keep it in good condition. In 2018 the building was completely refurbished.

The trustees continue to develop plans to grow unrestricted income, to invest in new income streams, to improve our services to our members and to maintain reserves at our agreed level.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Fostering Network for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group **if group** and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report, including the strategic report, is approved by order of the board of trustees in their capacity as the directors at a meeting on 6 October 2021 and signed on its behalf by:

6 October 2021

Janet Smith

The Fostering Network Annual Review 2020-21

Independent auditor's report

Independent auditor's report to the members of The Fostering Network

Opinion

We have audited the financial statements of The Fostering Network (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

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

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

The Fostering Network Annual Review 2020-21 Independent auditor's report

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, including the strategic 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' annual report, including the strategic 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) require us to report to you if, in our opinion:

The Fostering Network Annual Review 2020-21 Independent auditor's report

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

The Fostering Network Annual Review 2020-21 Independent auditor's report

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and finance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

The Fostering Network Annual Review 2020-21
Independent 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 section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. 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.

Joanna Pittman (Senior statutory auditor)

Date

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

The Fostering Network

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

		2021			2020		
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted as restated £	As restated £
Income from:							
Donations and legacies	2	209,872	-	209,872	255,229	-	255,229
Charitable activities							
Membership subscriptions		2,447,893	-	2,447,893	2,412,898	-	2,412,898
Specific projects		1,492,554	1,183,015	2,675,569	1,394,446	1,643,238	3,037,684
Publishing		135,721	-	135,721	132,727	-	132,727
Training and events		93,952	-	93,952	231,213	-	231,213
Advice services		241,332	-	241,332	244,544	-	244,544
Consultancy		548,975	-	548,975	472,512	-	472,512
Other trading activities		44,166	-	44,166	54,484	-	54,484
Investments		369	-	369	3,427	-	3,427
Sundry income		32,070	-	32,070	-	-	-
Total income		5,246,904	1,183,015	6,429,919	5,201,480	1,643,238	6,844,718
Expenditure on:							
Raising funds	5	(92,683)	-	(92,683)	(126,308)	-	(126,308)
Charitable activities							
Membership services		(2,842,210)	-	(2,842,210)	(2,647,424)	-	(2,647,424)
Project costs		(1,496,336)	(1,248,680)	(2,745,016)	(1,396,428)	(1,606,278)	(3,002,706)
Publishing		(88,859)	-	(88,859)	(86,980)	-	(86,980)
Training and events		(157,132)	-	(157,132)	(285,517)	-	(285,517)
Advice services		(257,844)	-	(257,844)	(285,292)	-	(285,292)
Consultancy		(294,006)	-	(294,006)	(268,001)	-	(268,001)
Total expenditure		(5,229,070)	(1,248,680)	(6,477,750)	(5,095,950)	(1,606,278)	(6,702,228)
Net income before net gains / (losses) on investments		17,834	(65,665)	(47,831)	105,530	36,960	142,490
Transfers between funds		4,824	(4,824)	-	(2,580)	2,580	-
Net income before other recognised gains and losses		22,658	(70,489)	(47,831)	102,950	39,540	142,490
(Losses) on revaluation of fixed assets		-	-	-	(443,750)	-	(443,750)
Net movement in funds		22,658	(70,489)	(47,831)	(340,800)	39,540	(301,260)
Reconciliation of funds:							
Total funds brought forward as previously		3,069,762	841,768	3,911,530	3,410,562	745,324	4,155,886
Prior year adjustment		-	(434,184)	(434,184)	-	(377,280)	(377,280)
Total funds brought forward as restated		3,069,762	407,584	3,477,346	3,410,562	368,044	3,778,606
Total funds carried forward		3,092,420	337,095	3,429,515	3,069,762	407,584	3,477,346

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Notes 3 and 19 to the financial statements.

The Fostering Network

Balance sheet

Company no. 01507277

As at 31 March 2021

	Note	£	2021 £	£	2020 (as restated) £
Fixed assets:					
Tangible assets	12		3,575,503		3,280,807
Investments	13		2		2
			3,575,505		3,280,809
Current assets:					
Stock		32,313		36,385	
Debtors	14	1,443,654		1,251,854	
Cash at bank and in hand		724,045		1,037,190	
		2,200,012		2,325,429	
Liabilities:					
Creditors: amounts falling due within one year	15	(1,943,856)		(1,877,892)	
Net current assets			256,156		447,537
Creditors: amounts falling after one year	16		(402,146)		(251,000)
Total net assets			3,429,515		3,477,346
The funds of the charity:					
Restricted income funds	19		337,095		407,584
Unrestricted income funds:					
Designated funds		-		261,000	
Revaluation reserve		1,603,759		1,603,759	
General funds		1,488,661		1,205,003	
Total unrestricted funds			3,092,420		3,069,762
Total charity funds			3,429,515		3,477,346

Approved by the trustees on 6 October 2021 and signed on their behalf by

Janet Smith
Chair of the board of trustees

Mervyn Erskine
Honorary treasurer

The Fostering Network

Statement of cash flows

For the year ended 31 March 2021

	2021		2020	
	£	£	£	£
Cash flows from operating activities				
Net income for the reporting period (as per the statement of financial activities)	(47,831)		199,394	
Depreciation charges	109,121		48,403	
Investment income	(369)		(3,427)	
(Increase)/decrease in stocks	4,072		9,834	
(Increase)/decrease in debtors	(191,800)		296,137	
Increase/(decrease) in creditors	67,694		159,504	
	<hr/>		<hr/>	
Net cash provided by / (used in) operating activities		(59,113)		709,845
Cash flows from investing activities:				
Dividends, interest and rents from investments	369		3,427	
Purchase of property, plant and equipment	(403,817)		(93,833)	
	<hr/>		<hr/>	
Net cash provided by / (used in) investing activities		(403,448)		(90,406)
Cash flows from financing activities:				
Repayments of borrowing	(100,584)		(94,701)	
Cash inflows from new borrowing	250,000		-	
	<hr/>		<hr/>	
Net cash provided by / (used in) financing activities		149,416		(94,701)
		<hr/>		<hr/>
Change in cash and cash equivalents in the year		(313,145)		524,738
Cash and cash equivalents at the beginning of the year		1,037,190		512,452
Cash and cash equivalents at the end of the year		724,045		1,037,190
		<hr/> <hr/>		<hr/> <hr/>

Analysis of changes in net debt

	At 1 April 2020	Cash flows	Other non- cash changes	At 31 March 2021
	£	£	£	£
Cash and cash equivalents				
Cash at bank and in hand	1,037,190	(313,145)	-	724,045
	<hr/>	<hr/>	<hr/>	<hr/>
	1,037,190	(313,145)	-	724,045
Borrowings				
Debt due within one year	109,348	(100,584)	98,854	107,618
Debt due after one year	251,000	250,000	(98,854)	402,146
	<hr/>	<hr/>	<hr/>	<hr/>
	360,348	149,416	-	509,764
Total	1,397,538	(163,728)	-	1,233,810
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

a) Statutory information

The Fostering Network is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 87 Blackfriars Road, London, SE1 8HA

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), the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

The subsidiary company did not trade in the year. Therefore the results of the charity and the group are the same.

c) Public benefit entity

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

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern; the charitable company has sufficient reserves and adequate controls to mitigate the risks posed by the COVID-19 pandemic.

The charity has very stable, regular income and has forecast future activities, balance sheet and operating surplus for three years. It manages working capital with monthly cash flow forecasts.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. The following specific policies apply to categorise of income:

- ~ Membership subscriptions are recognised over the period of membership (equally over 12 months).
- ~ Publications income is recognised at point of sale.
- ~ Advice, training and consultancy income is recognised on the date the service was provided.

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

g) Interest receivable

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

h) 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 fund.

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure 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 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.
- ~ Expenditure on charitable activities includes the costs of delivering member services undertaken to further the purposes of the charity and their associated support costs.
- ~ Other expenditure represents those items not falling into any other heading.

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

j) Allocation of support costs

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Membership	69%
- Specific projects	21%
- Training and events	2%
- Advice services	2%
- Consultancy	3%
- Raising funds	2%
- Publishing	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

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

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Freehold land and buildings are recognised under the revaluation model under FRS102, and any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet. Freehold land and buildings are not depreciated as the property is maintained in good condition and therefore the residual value is considered to be in line with the carrying value.

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:

- Furniture and equipment	Over four years
- Computers and software	Over two to ten years
- Freehold improvements	Over three to seven years
- Freehold premises	Not depreciated
- Freehold land	Not depreciated

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Stocks

Stocks consist of publications for resale and materials for use in training courses. They are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

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.

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

s) Pensions

The Fostering Network operates a defined contribution pension scheme and the amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown in either accruals or prepayments in the balance sheet.

t) Management estimates and judgements

In the process of applying its accounting policies the charity is required to make certain estimates, judgements and assumptions. Examples of these are: valuation of freehold property in light of the COVID-19 pandemic (see note 12); where goods and services have been provided but not invoiced to us, we estimate the value of the services; where stock is slow moving we apply a net realisable value if that is lower than cost. Where debtors are materially overdue we reduce their value to zero.

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

2 Income from donations and legacies

	2021 £	2020 £
Donations	76,291	130,610
Gifts in kind	-	-
Core grants		
Northern Ireland Department of Health, Social Services and Public Safety	44,813	35,851
Scottish Government	88,768	88,768
	209,872	255,229

3 Projects income (current year)

Restricted Projects

	Balance at 1 April 2020 £ <i>as restated</i>	Income 2021 £	Expenditure 2021 £	Transfers £	Balance at 31 March 2021 £
England / Headquarters					
Foster Carer Retention	5,211	-	-	(5,211)	-
Fostering Digital Skills for Life	-	59,491	-	-	59,491
Fostering Potential	4,353	-	(4,740)	387	-
Jon and Kathy Broad Award	1,850	-	(250)	-	1,600
Mockingbird	576	291,208	(276,172)	-	15,612
Quilts for Children in Care	7,487	-	(2,641)	-	4,846
England / Headquarters	19,477	350,699	(283,803)	(4,824)	81,549
Northern Ireland					
Kinship Care Support	6,486	34,710	(37,654)	-	3,542
Step Up Step Down	16,532	175,363	(165,963)	-	25,932
Northern Ireland	23,018	210,073	(203,617)	-	29,474
Scotland					
Capturing the Voice	12,153	-	(1,575)	-	10,578
Fosterline Scotland	60	56,232	(59,630)	-	(3,338)
Scottish Newsletter	8,033	-	(4,698)	-	3,335
Young Advocates	31,032	97,969	(88,731)	-	40,270
Scotland	51,278	154,201	(154,634)	-	50,845
Wales					
Confidence in Care	281,553	(78,350)	(89,902)	-	113,301
Fostering Communities	-	247,792	(244,635)	-	3,157
Fostering Excellence	12,947	-	(4,493)	-	8,454
Fostering Welbeing	-	287,600	(250,574)	-	37,026
Other Welsh Government projects	19,311	-	(13,982)	-	5,329
Triumph	-	11,000	(3,040)	-	7,960
Wales	313,811	468,042	(606,626)	-	175,227
Total projects	407,584	1,183,015	(1,248,680)	(4,824)	337,095

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

3 Projects income (prior year)
Restricted Projects

	Balance at 1 April 2019 as restated £	Income 2020 as restated £	Expenditure 2020 £	Transfers £	Balance at 31 March 2020 £
England / Headquarters					
Foster Carer Retention	8,722	-	(3,511)	-	5,211
Mockingbird	-	503,893	(503,317)	-	576
Fostering Potential	20,383	26,577	(42,607)	-	4,353
Quilts for Children in Care	8,009	-	(522)	-	7,487
Jon and Kathy Broad Award	1,850	-	-	-	1,850
England / Headquarters	38,964	530,470	(549,957)	-	19,477
Northern Ireland					
Kinship Care Support	16,330	41,566	(51,410)	-	6,486
Building Better Futures	9,683	-	(9,683)	-	-
Step Up Step Down	19,889	160,395	(163,752)	-	16,532
Northern Ireland	45,902	201,961	(224,845)	-	23,018
Scotland					
Fosterline Scotland	-	56,232	(56,172)	-	60
Scottish Newsletter	13,304	-	(5,271)	-	8,033
Walking Tall	30,499	-	(30,499)	-	-
Young Advocates	-	87,978	(56,946)	-	31,032
Capturing the Voice	-	21,983	(9,830)	-	12,153
Foster Care Transforming Lives	-	7,836	(10,416)	2,580	-
Scotland	43,803	174,029	(169,134)	2,580	51,278
Wales					
Confidence in Care	231,114	298,213	(247,774)	-	281,553
Fostering Excellence	8,261	240,637	(235,951)	-	12,947
Other Welsh Government projects	-	59,241	(39,930)	-	19,311
Fostering Welbeing	-	119,059	(119,059)	-	-
Fosterline Wales	-	19,628	(19,628)	-	-
Wales	239,375	736,778	(662,342)	-	313,811
Total projects	368,044	1,643,238	(1,606,278)	2,580	407,584

4 Unrestricted Projects (current year)

	Income 2021 £	Expenditure 2021 £
Fostering Achievement	1,492,554	(1,496,336)
Total projects	1,492,554	(1,496,336)

4 Unrestricted Projects (prior year)

	Income 2020	Expenditure 2020
	£	£
Fostering Achievement	1,394,446	(1,396,428)
Total projects	1,394,446	(1,396,428)

Purposes of restricted funds

The restricted funds relate to the following projects:

England

Foster Carer Retention – We received funding from The Exilarch’s Foundation to explore the development of an exit interview toolkit for fostering services to capture all the reasons why foster carers leave their services. This information can then be used by the service to improve practice and inform foster carer retention and recruitment strategies. The toolkit was launched in Spring 2019. The Exilarch’s Foundation have generously agreed for the balance of these funds to be used to sponsor the 2020 Fostering Excellence Awards.

Mockingbird - Mockingbird led by The Fostering Network in the UK, delivers sustainable foster care. It is an evidence-based model structured around the support and relationships an extended family provides. The model nurtures the relationships between children, young people and foster families supporting them to build a resilient and caring community. The model now operates in 39 fostering services, either funded by the Department of Education or self-funded.

Fostering Potential - Fostering Potential was funded by the British & Foreign School Society and Sir John Cass's Foundation. It built on the learning from previous educational programmes across the UK and aimed to improve the educational outcomes for looked after children by focusing on foster carers as 'first educators' for the children and young people in their care. Working in partnership with seven fostering services across England, this project created an educational peer support network in each local area, delivered by experienced foster carers in the role of Education Champions.

Fostering Digital Skills for Life - The Fostering Network is working with Internet Matters and University of East Anglia on the project, Fostering Digital Skills for Life. The project will create and deliver CPD-accredited training, giving foster carers the choice between self-study or facilitator-led learning. The project will also increase understanding across the sector of how supporting foster carers to improve their digital skills can positively impact the digital resilience of children in their care. This project is funded by Nominet as part of the REACH portfolio.

Quilts for Children in Foster Care - This is a long-running project that provides fostered children with their own hand-made quilt. A team of volunteers from Helping Hands Quilters create these bespoke quilts throughout the year and we then distribute these to children and young people across the UK. The quilts, matched carefully to each child, become treasured possessions and part of their life story. This has been supported by a grant from the Cotton Industry War Memorial Trust and The Harrison-Frank Family Foundation.

The Jon and Kathy Broad Award - In memory of Kathy Broad, this is an annual award for foster carers caring for children with special needs and presented as part of the charity's Fostering Excellence Awards.

Northern Ireland

Building Better Futures – A HSCB initiative to develop a model of assessment for parenting and associated manual across all five Health and Social care trusts with Professor Stan Houston of Trinity College, Dublin and Drs Lorna Montgomery and Mandi MacDonald of Queen’s University Belfast.

Purposes of restricted funds (continued)

Kinship Care Support - funded by Children in Need and Ulster Garden Villages, this programme supports young people in kinship foster care and their carers to access support to help improve their well-being, build their skills and enable their engagement with the programme.

Step Up Step Down - this is a five year project, funded by The National Lottery Community Fund for Northern Ireland operating in partnership with the South Eastern Health and Social Care Trust works with families on the periphery of the care system from being taken into care and instead support them to stay within their own homes.

Scotland

Capturing the Voice - This project, funded by The Robertson Trust, Awards for All and Hugh Fraser Foundation, aims to ensure the views of disabled children and young people are heard at decision making meetings and panels and is an extension of the work we carried out as part of our previous Walking Tall project.

Foster Care Transforming Lives - This was a conference hosted by The Fostering Network and APFEL. Acting for the Promotion of Fostering at European Level (APFEL) is a network association working together and exchanging information relating to foster care between countries in Europe. The network utilises the diversity of approaches to foster care through international exchanges and collaboration, through experience, expertise, research and best practice to improve the lives of children in foster care. APFEL hold annual conferences across Europe and the eighth conference took place in Edinburgh, Scotland hosted in partnership with The Fostering Network on 20 November 2019.

Fosterline Scotland - An independent and confidential service providing advice, information, mediation and support to foster carers across Scotland on all aspects of fostering, funded by the Scottish Government.

Scottish Newsletter - This is distributed to all our members in Scotland, including 97% of fostering households across Scotland. This is funded by a variety of grants and donations.

Walking Tall - A two-year lottery funded project working with primary school aged children living in fostering households (both sons and daughters of foster carers and children in foster care). It aims to enhance their self-esteem and resilience, while exploring their views and experiences of fostering using drama, play, movement and arts.

Young Advocates - This project, funded by Life Changes Trust and Young Start Fund (delivered by the National Lottery Community Fund), will see young people with care experience create learning opportunities for teachers and trainee teachers around what the day-to-day reality of school or college can be like for them. The young advocates will also train foster carers to help build their awareness of how they can best support the children and young people in their care.

Wales

Confidence in Care - The aim of the project is to improve the life chances of looked after children and young people in Wales by improving placement stability through better interaction and attachment levels, developing a more positive outlook towards education and future career goals, increasing resilience and life skills, and using robust learning and evaluation evidence to influence future policy development in Wales. The Fostering Network is working with Action for Children, Barnardo's, Cardiff University and TACT to deliver this programme. The charity has acted as an agency for our partners, receiving conduit funding from the Big Lottery Fund. £366k was paid in the year to our partners.

The prior year figures are restated for the Confidence in Care Wales restricted fund. The Confidence in Care Wales restricted fund balance as at 1 April 2019, and the income for 2019/20, included funds received on a conduit funding basis on behalf of our delivery partners. As conduit funding, these funds should have been included in trade creditors and not in restricted funds.

During the year, the project budget was re-profiled, increasing the partner's share of the funding by £48,950 and decreasing the charity's share of the funding by the same amount, the charity also returned £78,350 to the funder during the year.

Purposes of restricted funds (continued)

Fostering Communities (including Fosterline Wales) 2020-2023 - This is a new national programme of improvement and support led by The Fostering Network in Wales and funded by the Welsh Government from 2020-2023. Embedded within Fostering Communities is a co-production approach, which means we will work in equal partnership with foster carers, children and young people in care and fostering services to plan and deliver the programme. Working together as co-creators and sharing power will enable us to build a strong and resilient fostering community with the aim of improving wellbeing for all. Fostering Communities recognises that everyone in the fostering sector has a vital contribution to make in order to improve the quality of life for children and young people in care and their foster families.

Fostering Excellence (including Fosterline Wales) 2016-2019 - This three-year programme of interventions that will improve the experience of looked after children in Wales, support foster carers to provide permanent, stable and aspiring homes, and ensure that looked after children in Wales are able to make a positive and valued contributions to future generations. Funded by the Welsh Government.

Fostering Wellbeing - This pilot programme is funded by the Welsh Government and delivered by The Fostering Network in Wales. The programme aims to test and evaluate social pedagogy principles (focused on education and the upbringing of children) in a foster care environment. This project operates at regional level across Wales, delivering learning, bringing people together and sharing best practice across service boundaries with an aim to embed a shared approach that will support improved outcomes for children and young people.

Other Welsh Government projects - A number of Welsh Government funded projects including work to: develop the recruitment of new local authority foster carers and provide training to existing foster carers in respect of Unaccompanied Asylum Seeking Children; develop a resource for foster carers around the five basic needs (social, physical, emotional, cultural and learning) of children who are looked after in foster care; revise and refresh *Aimee's Diary - a fostered child's journey through secondary school*, where Aimee, the fictional character of a young person in foster care, records her account of events as she journeys through secondary school.

Triumph (Co-production or adaptation of online interventions for foster care: Promoting the mental health and wellbeing of care-experienced children and young people) - Recently, there has been a move to deliver services online, especially during the COVID-19 pandemic. This has highlighted a number of challenges for those working with care-experienced young people.. This project will look at how to best develop online programmes for care-experienced young people, or how to adapt them from in person to online delivery. From this study the team will develop guidance to support policymakers, practitioners and researchers in developing and adapting programmes for delivery online. These will focus on how to best engage young people, while properly assessing risk and ensuring protection.

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

5 Analysis of expenditure

	Raising funds £	Membership services £	Project costs £	Publishing £	Training and events £	Advice services £	Consultancy £	2021 Total £
Staff costs (Note 8)	70,557	1,848,059	1,218,690	-	83,669	223,093	97,532	3,541,600
Support costs	17,184	733,099	227,474	8,078	21,705	23,440	37,378	1,068,358
Other costs	4,942	261,052	1,298,852	80,781	51,758	11,311	159,096	1,867,792
Total expenditure 2021	92,683	2,842,210	2,745,016	88,859	157,132	257,844	294,006	6,477,750

5 Analysis of expenditure (prior year)

	Raising funds £	Membership services £	Project costs £	Publishing £	Training and events £	Advice services £	Consultancy £	2020 Total £
Staff costs (Note 8)	88,603	1,978,455	859,701	-	112,820	238,992	70,231	3,348,802
Support costs	20,199	561,939	276,382	11,183	33,342	25,936	33,450	962,431
Other costs	17,506	107,030	1,866,623	75,797	139,355	20,364	164,320	2,390,995
Total expenditure 2020	126,308	2,647,424	3,002,706	86,980	285,517	285,292	268,001	6,702,228

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

6 Support costs

	Raising funds £	Membership services £	Project costs £	Publishing £	Training and events £	Advice services £	Consultancy £	2021 Total £
Facilities	9,949	115,389	9,511	338	8,728	980	12,788	157,683
Finance	2,271	193,929	68,429	2,430	4,074	7,051	7,720	285,904
HR	1,091	93,117	32,857	1,167	1,956	3,386	3,707	137,281
IT	2,671	228,099	80,486	2,858	4,792	8,294	9,080	336,280
Management	1,089	92,956	32,800	1,165	1,953	3,380	3,700	137,043
Governance	113	9,609	3,391	120	202	349	383	14,167
Total expenditure 2021	17,184	733,099	227,474	8,078	21,705	23,440	37,378	1,068,358

6 Support costs (prior year)

	Raising funds £	Membership services £	Project costs £	Publishing £	Training and events £	Advice services £	Consultancy £	2020 Total £
Facilities	10,140	107,489	24,843	3,996	9,434	1,348	11,213	168,463
Finance	3,264	147,463	81,621	2,332	7,758	7,978	7,215	257,631
HR	1,691	76,388	42,281	1,208	4,019	4,133	3,738	133,458
IT	2,950	133,284	73,773	2,108	7,012	7,211	6,522	232,860
Management	1,736	78,413	43,402	1,240	4,125	4,243	3,837	136,996
Governance	418	18,902	10,462	299	994	1,023	925	33,023
Total expenditure 2020	20,199	561,939	276,382	11,183	33,342	25,936	33,450	962,431

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	109,121	48,403
Operating lease rentals:		
Property	39,930	50,701
Other	1,418	406
Rent receivable as lessor		
Property	39,926	53,235
Auditor's remuneration (excluding VAT):		
Audit	13,300	13,000
Other services	900	650
	<u>109,121</u>	<u>113,405</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	3,096,999	2,932,651
Redundancy and termination costs	1,838	-
Social security costs	297,537	279,277
Employer's contribution to defined contribution pension schemes	145,226	136,874
	<u>3,541,600</u>	<u>3,348,802</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 - £69,999	2	2
£70,000 - £79,999	1	-
£90,000 - £99,999	1	1
	<u>2</u>	<u>3</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £499,631 (2020: £526,323).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Indemnity insurance is provided for trustees at a premium of £1,355 (2020: £1,355).

Trustees' expenses represents the payment or reimbursement of travel costs totalling £102 (2020: £4,355) incurred by 1 (2020: 7) members relating to attendance at meetings of the trustees.

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 99, 86 FTE (2020: 95, 80 FTE).

Staff are split across the activities of the charitable company as follows (full time equivalent basis):

	2021	2020
	No.	No.
Cost of raising funds	1	2
Membership services	44	41
Project costs	31	27
Training & events	3	3
Advice services	5	6
Consultancy	2	1
	<hr/> 86 <hr/>	<hr/> 80 <hr/>

10 Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

The Fostering Network received no donations from trustees (2020: £300; 1 trustee). The trustees receive no benefit from the donations made to the charity.

During the year, the Charity received Consultancy services from GGT Associates in the amount of £0 (2020: £25,671). Colin Turner, the Director of the Wales Office of the charity is also a director of the company. £9,636 (2020: £16,035) has been paid to GGT Associates during the year for services received in 2020.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

12 Tangible fixed assets

	Freehold property £	Leasehold improvements £	Furniture £	Computer equipment £	Total £
Cost or valuation					
At the start of the year	3,106,250	-	62,665	261,584	3,430,499
Additions in year	-	25,277	8,467	370,073	403,817
Disposals in year	-	-	-	(92,346)	(92,346)
At the end of the year	3,106,250	25,277	71,132	539,311	3,741,970
Depreciation					
At the start of the year	-	-	15,042	134,650	149,692
Charge for the year	-	1,474	16,734	90,913	109,121
Eliminated on disposal	-	-	-	(92,346)	(92,346)
At the end of the year	-	1,474	31,776	133,217	166,467
Net book value					
At the end of the year	3,106,250	23,803	39,356	406,094	3,575,503
At the start of the year	3,106,250	-	47,623	126,934	3,280,807

Land with a value of £896,875 (2020: £896,875) is included within freehold property and not depreciated. The carrying amount on the cost model would be £1,322,221 (2020: £1,322,221). The purchase price of the freehold building was £450,000 in 1999. The freehold property is not depreciated because the Charity believes that the residual value of the property is in line with the carrying value.

In order to reduce the long term cost to the company of the London office, 23% of the total space is leased to tenants. The property is shown in the accounts at Market Valuation.

The Charity follows the revaluation model for freehold premises. Land and Buildings were revalued at 18th December 2018 by Lamberts, Chartered Surveyors, on an existing use open market basis in accordance with Guidance Notes of the Royal Institution of Chartered Surveyors. Lamberts are not connected with the charity.

In 2020, the trustees reviewed this valuation in light of the COVID-19 pandemic, seeking professional advice from Lamerts Chartered Surveyors about the pandemic's effect on commercial property values. The trustees considered it prudent to reduce the 2018 valuation by 12.5% (£443,750) to take into account material uncertainty about the central London office market.

In July 2021, the Charity reviewed the valuation, seeking professional advice from Lamberts Chartered Surveyors. The outcome of this review was that the valuation of the freehold building is unchanged since 2020 although significant uncertainty remains about the long term implications of the pandemic and the impact on property values.

13 Investments

The Fostering Network owns the whole of the issued ordinary share capital of National Foster Care Association Services Ltd, a company registered in England. The subsidiary was dormant in the year.

	2021 £	2020 £
Trading subsidiary (cost)	2	2

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

14 Debtors

	2021 £	2020 £
Trade debtors	1,148,946	947,947
Other debtors	121,602	147,859
Prepayments	173,106	156,048
	<u>1,443,654</u>	<u>1,251,854</u>

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and in note 16.

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	645,319	934,883
Taxation and social security	408,431	248,262
Other creditors and accruals	283,589	154,590
Deferred income	498,899	430,809
Bank loan	107,618	109,348
	<u>1,943,856</u>	<u>1,877,892</u>

16 Creditors: amounts falling after one year

	2021 £	2020 £
Repayable in 1-5 years	360,479	251,000
Repayable in more than 5 years	41,667	-
	<u>402,146</u>	<u>251,000</u>

This comprises a bank loan and a Coronavirus Business Interruption Loan (CBIL). Both loans are secured over the freehold property and interest on both loans is charged on floating rate basis. The CBIL is for 6 years, with the first year interest free and repayment free. The first repayment is due April 2022.

17 Deferred income

Deferred income comprises of income relating to services to be provided in 2021/22, but have been invoiced prior to 31 March 2021.

	At 1 April 2020 £	Released £	Deferred £	At 31 March 2021 £
Training and events	3,283	(3,283)	10,410	10,410
Advice services	76,489	(76,489)	78,318	78,318
Membership services	273,684	(273,684)	277,536	277,536
Consultancy	77,353	(76,544)	131,826	132,635
	<u>430,809</u>	<u>(430,000)</u>	<u>498,090</u>	<u>498,899</u>

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

18 Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	3,575,503	-	-	3,575,503
Investments	2	-	-	2
Net current (liabilities)/ assets	(80,939)	-	337,095	256,156
Long term liabilities	(402,146)	-	-	(402,146)
Net assets at 31 March 2021	3,092,420	-	337,095	3,429,515

Analysis of net assets between funds (prior year as restated)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	3,280,807	-	-	3,280,807
Investments	2	-	-	2
Net current (liabilities)/ assets	(221,047)	261,000	407,584	447,537
Long term liabilities	(251,000)	-	-	(251,000)
Net assets at 31 March 2020	2,808,762	261,000	407,584	3,477,346

19 Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
General reserve	1,205,003	5,246,904	(5,229,070)	265,824	1,488,661
Revaluation reserve	1,603,759	-	-	-	1,603,759
Designated reserve	261,000	-	-	(261,000)	-
Total unrestricted funds	3,069,762	5,246,904	(5,229,070)	4,824	3,092,420

The designated funds were held for the IT development project. This work is now complete.

Movements in funds (prior year)

	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
General reserve	1,263,053	5,201,480	(5,095,950)	(163,580)	1,205,003
Revaluation reserve	2,047,509	-	(443,750)	-	1,603,759
Designated reserve	100,000	-	-	161,000	261,000
Total unrestricted funds	3,410,562	5,201,480	(5,539,700)	(2,580)	3,069,762

The designated funds were held for the IT development project.

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

20a Prior year adjustment

Reserves position	Unrestricted £	Restricted 2020 £	Total £
Funds previously reported	3,069,762	841,768	3,911,530
Adjustments on restatement			
Movement following reduction in Confidence in Care Wales income in 2020	-	(56,904)	(56,904)
Movement following reduction in Confidence in Care Wales income prior to 2020	-	(377,280)	(377,280)
Funds restated	3,069,762	407,584	3,477,346
Impact on income and expenditure	Unrestricted For the year ended 31 March 2020 £	Restricted £	Total £
Net movement in funds as previously reported	(340,800)	96,444	(244,356)
Adjustments on restatement			
Movement due reduction in Confidence in Care Wales income	-	(56,904)	(56,904)
Net income/ (expenditure) as restated	(340,800)	39,540	(301,260)

Explanation for adjustment

The prior year figures are restated for the Confidence in Care Wales restricted fund. The Confidence in Care Wales restricted fund balance as at 1 April 2019, and the income for 2019/20, included funds received on a conduit funding basis on behalf of our delivery partners. As conduit funding, these funds should have been included in trade creditors and not in restricted funds.

The Fostering Network

Notes to the financial statements

For the year ended 31 March 2021

21a Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods.

	Property		Other	
	2021	2020	2021	2020
	£	£	£	£
Less than one year	30,283	33,154	1,481	406
One to five years	14,306	43,706	-	-
	44,589	76,860	1,481	406

21b Operating lease commitments receivable as a lessor

Amounts receivable under non-cancellable operating leases are as follows for each of the following periods

	Property	
	2021	2020
	£	£
Less than one year	54,637	53,235
One to five years	-	53,235
	54,637	106,470

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

The Fostering Network
Trustees Management and Advisors

**The following served as members of the board of directors and trustees
and as the senior leadership team in 2020-2021.**

Chair

Janet Smith (from December 2020)
Nigel McCartney (until December 2020)

Vice Chair

Martin Leworthy (from December 2020 until
August 2021)

Treasurer

Mervyn Erskine

Trustees

Greg De Smidt
Mervyn Erskine
Stuart Lewis
Martin Leworthy (until August 2021)
Sophie Masey
Nigel McCartney
Gary Pickles
Christopher Pope
Ishara Tewary
Jeanette Towning
Janet Smith
Jonathan Walsh

Senior Leadership Team

Kevin Williams
(Chief Executive)

Kate Lawson (from March 2021)
(Director of External Relations)

Sara Lurie
(Director of Practice & Scotland)

Kathleen Toner
(Director of Membership, Engagement &
Northern Ireland)

Colin Turner (until July 2021)
(Director, of Commercial & Wales)

Floretta West
(Director of People & Culture)

Geoff Wilson
(Director of Finance & Resources)

Company Secretary

Geoff Wilson (from March 2021)

REGISTERED OFFICE

87 Blackfriars Road
London
SE1 8HA

AUDITOR

Sayer Vincent LLP
Invicta House
108-114 Golden Lane
EC1Y 0TL

BANKERS

Barclays Bank Plc
1 Churchill Place London
E14 5KP