



First Steps (BATH)

Financial Statements for the year ended 31st March 2022

IN PARTNERSHIP WITH

**Bath & North East
Somerset Council**



Charity registration number 1012690

Registered Company number 02656485

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

INDEX TO THE FINANCIAL STATEMENTS

Chair's Report	2
Trustees' Annual Report	3 - 11
Independent Auditors Report	12 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Principal Accounting Policies	19-20
Notes to the financial statements	21 - 32

FIRST STEPS (BATH)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CHAIR'S REPORT 2022

The last two years have been very challenging for all of us, having to deal with the pandemic. In some ways we found 2021/22 was more difficult for First Steps than the previous year as we had more staff off sick and isolating and did not have the same level of financial support. However, thanks to the commitment, understanding, and flexibility of both staff and parents, we managed to stay open throughout the period, with minimal room closures, and completed the year well.

Over the last twelve months we drew on the high levels of financial support that we were given by trusts and foundations, and individual and community supporters in 2020/21, and consequently again finished the year in a sound financial position. This allows us to look to the future with confidence. Our social enterprise approach allows us to add quality to our services in areas which are difficult to fund. This year we have continued to develop career progression and training for our staff.

Fundraising remains a crucial element of service development, enabling First Steps to deliver a whole package of support that families need. These activities have allowed us to develop links with the communities we serve, and we hope we can strengthen these further over the year ahead. For example, the Norland Foundation funded a year of stay and play sessions for children with special educational needs and their families, and the St Johns Foundation funded a summer outing for parents, carers and children who would not usually be able to visit a Zoo Park. I thank all those who have supported us during the year in a wide range of different ways.

The trustees were very pleased with the Ofsted reports we received during the year for both Moorlands Centre and the Bath Opportunity Playgroup. These, taken in combination with the earlier report on our Twerton Centre, and our programme of quality development, give us confidence in the services we provide. Our focus on the community will remain – we wish to provide local, quality, all year around nursery care and identify special projects to further develop a support hub for families with children under five.

For us to achieve this aim it is important that we provide a range of opportunities for feedback from all parents, and particularly those from marginalised groups. We want to understand fully what is valued most and how we can improve in order to guide our future investment plans. We will be establishing several ways to facilitate this in the year ahead and we will be looking to improve communication with all our stakeholders. Please support this initiative as much as you can, and I hope to have the opportunity to speak to many of you directly as part of this.

Ken Littlewood

Chair of Trustees



FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' ANNUAL REPORT

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). The Committee of Management presents its report for the year up to 31st March 2022. Further information about the charity and its work may be found on First Steps (Bath) website (www.firststepsbath.org.uk) and through direct enquiry to the main office at Woodhouse Road, Twerton, Bath, BA2 1SY.

REFERENCE AND ADMINISTRATIVE INFORMATION

Chair	Ken Littlewood	Retired Business Executive
Vice Chair	Janet Rose	Director
Treasurer	*Tom Williams	Management Accountant
Other trustees	Elisabeth Hacking	Lecturer and Researcher University of Bath
	Isobel Michael	Director NSP Philanthropy
	*Kate Tuckwell	Senior Lecturer of Social and Policy Sciences
	Meg North	Retired local government officer
	Marina Sloan	Specialist Speech & Language Therapist
	Mike Turner	Manager Director
	*Simon Andrews	Project Manager
	Val Wheeler	Retired Health Visitor
* Denotes parents whose children used First Steps (Bath) services during the year.		
Senior Management Team	Roz Lambert	Chief Executive
	Sarah Elliott	Finance & Administration Manager and Company Secretary
	Charlotte Miller	Children's Services Manager - Moorlands
	Louise Hewings	Children's Services Manager - Twerton
	Stefanie Walbyoff	Children's Services Manager - BOP
Registered Office	Woodhouse Road, Twerton, Bath, BA2 1SY	
E-mail	info@firststepsbath.org.uk	
Website	www.firststepsbath.org.uk	

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' ANNUAL REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

First Steps (Bath) is a company limited by guarantee and is a registered charity, which is governed by its Memorandum and Articles of Association dated 10 June 1992. The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Trustee Board.

Organisational Structure

First Steps (Bath) is governed by a Charity Board of Trustees, which includes parents using our services and local professionals. The Board's membership reflects key stakeholders in the local community including local public services, local businesses, independent consultants, voluntary organisations and schools. Trustees therefore bring a wide range of individual skills and experience to the Board.

The Trustee Board, which met five times during the year, makes decisions on the annual budget, formulates policy and considers strategic issues which affect the charity. At the Annual General Meeting the Trustees elect the Chairperson.

The Trustees of First Steps (Bath) delegate the day-to-day running of the charity to the Chief Executive and Senior Management Team, who attend Trustee Board meetings in an advisory capacity. The Trustee Board has power to require the Chief Executive and members of staff to withdraw from meetings whenever confidential matters are being discussed.

Recruitment and appointment of Trustee Board members

Recruitment of new Trustees is on-going; interested potential Trustees are invited to submit a CV and meet with the Chair of Trustees and CE prior to attending a Board meeting as an observer. Before being nominated for election, the procedures for safe recruitment are followed.

Trustee Induction and Training

The structure and process of new Trustee induction and training has been developed as part of the recruitment of new Trustees. Information packs containing copies of the financial statements, Memoranda and Articles of Association, and recent Board Meeting Minutes are provided. An invitation is made to visit staff and volunteers. Training is offered through specific sessions tailored to meet the needs of current Trustees.

Risk Management

The Trustee Board has responsibility to manage risk within the charity. They have updated and reviewed risks within the year and agreed a schedule of actions to mitigate the identified risks. Any updates to the risk assessments are brought to Board meetings and the risk assessments are reviewed by the Board annually.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' ANNUAL REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

No trustees receive remuneration or other benefit from their work with the charity. Any contractual relationship with a related party between a trustee and senior manager of the charity must be disclosed to the full board of trustees. In the current year no such related party transactions were reported.

AIMS

Our Mission

First Steps has a governing document (Memorandum and Articles of Association dated 10 June 1992) which sets out our 'Objects' as a charity. These have been summarised into our mission:

"to work in partnership with children, families, colleagues and the community by being a responsive, informed, reflective and innovative provider of early years' education, childcare and integrated family services"

In pursuing this mission First Steps will deliver value to:

- Children, through access to quality integrated care, play and early learning opportunities.
- Families, through a range of services which are responsive to their individual needs with an emphasis on bringing services to families
- Staff, by maintaining a stimulating environment that encourages innovation and best practice and developing and implementing a coherent range of policies understood and valued by all
- Other stakeholders, through our commitment to working collaboratively with professionals from other disciplines, sharing expertise and exploiting opportunities in areas of common interest

Our guiding principles

- To guide our actions as an organisation and ensure a culture of shared values and direction we:
- Work in partnership not in competition
- Are committed to an integrated service approach that brings professionals from various disciplines together
- Foster an ethos of providing professional support in a non-judgemental and non-stigmatising way
- Encourage open-mindedness within our practice and ensure that our policies are sufficiently flexible to admit new ideas
- Respect parents as partners in the educational and developmental progress of their children
- Create a culture that values and celebrates children and families in a way that strengthens our community
- Seek new ways of doing things, explore new approaches, and are open to learning from others
- Measure our success by the way we deliver on our commitment to better outcomes for children and families

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' ANNUAL REPORT

OBJECTIVES AND ACTIVITIES

The principal objectives of First Steps (Bath) are to advance the development of education of children below compulsory school age (by encouraging parents to understand and provide for the needs of their children) in particular through the provision of safe and satisfying group play in which parents have the right to take part and by encouraging the study of the needs of children and their families and by promoting public interest in and recognition of such needs in the City of Bath and as a result of the provision of such facilities to relieve cases of need hardship or distress.

This work is conducted through two Community Nurseries, First Steps Twerton and First Steps Moorlands and an Early Years Specialist service, First Steps Bath Opportunity Preschool, (BOP). A contract with the Local Authority for early years specialist provision funds BOP.

In shaping these priorities and planning our activities the Trustees have considered the Charity Commission's guidance on public benefit. The Trustees undertake an annual review of day care fees; in setting the level of fees and concessions, the Trustees give careful consideration to ensuring the accessibility of the service for those on low incomes.

Our Purpose

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Our Partners

Much of our work is delivered in partnership with other agencies, to provide integrated 'seamless' support for children and families when they need it. Examples of the partners include:

- HCRG Care Group - Health Visitors have an office in Woodhouse Road delivering the Healthy Child Programme they hold one to one meetings with parents, on site and support team around the child meetings.
- Speech & Language service: We use the pupil premium funding to pay for a speech and language therapist to be embedded within our services to provide special projects or groups with children; screening and individual work with children and advice and training for staff to enhance the usual support.
Other health professionals, e.g., community paediatricians, occupational therapists – provide staff with advice and guidance; individual work with children and families
- Action for Children – family support workers delivering the Children's Centre Service have an office at Woodhouse Road. Parenting programmes and support groups are delivered from there.
- First Steps provide placements for 'children in need' and/or children who are the subject of a child protection plan, and 'child friendly' venues for contact sessions.
- Southside Family Project: supporting families with complex needs.
- Local schools, particularly our neighbours: Moorlands Schools Federation, St. Michaels C of E Junior School and Twerton Infants School; together with B&NES Children's Service and school staff, e.g., on school transition and we work with Advisory Teachers, the Behaviour Support Service who provide advice and individual work.
- B&NES Bright Start Children's' Centres: joint working or training, collaboration and sharing good practice
- Bath Spa University, University of Bath, Norland Collage and other training providers, local colleges, and schools: First Steps acts as a training base for a range of student placements

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' ANNUAL REPORT

OBJECTIVES AND ACTIVITIES

ACHIEVEMENT AND PERFORMANCE.

Our achievements for 2021 - 2022

Priority One: To continue with the ambitious vision to deliver universal, inclusive children care and education, high expectations for children's achievement and high standards of provision.

Ensure that a sharp focus is placed on improving the life chances of children through accurate evaluation of provision through information gathered from, children, parents, staff and linked professionals and data from children's assessments.

To embed the concept of Childhoodnature, the idea that children are nature that human health and wellbeing is linked to the environment. That adults have a responsibility to ensure that children have access to nature and opportunities to explore the natural world, that children are encouraged to be active citizens and are encouraged in appropriate ways to embed sustainability. To be promoting healthy and sustainable living for children, families, and the community.

- Continued to support social and emotional development of all the children we work with through the Thrive Approach
- Provided continuity for children with a low staff turnover of 13%
- Consulted with staff, parents and carers
- Locally employed 51% of the staff team.
- Increased opportunities for staff development and progression

Priority Two: To further develop the concept of Community Nursery and Early Years Centre through the delivery of services that raise the profile of the early years in a child's life and are responsive to family needs and special educational needs.

- Secured funding to support Stay and Play sessions for children with special educational needs
- Raised £31,464 to enhance services
- Enabled children from low-income families to have a hot nutritious meal whilst attending nursery.
- Loaned home learning bags to 30 families

Priority Three: To further develop the Social Enterprise Model, exploring new funding and trading opportunities, employing a mixed model of funding to ensure the success and security of our long-term plans.

- Maintained occupancy to capacity
- Created income from room rental
- Developed an online system for booking rooms removing barriers to access.

Priority Four: To develop the theory of change, identifying the core problem that First Steps aims to address, its root causes and consequences, question assumptions and establish evidence of need. Leading to meaningful and measurable activities that meet community need and can be clearly articulated.

- Created opportunities for families, staff and trustees to meet and gather feedback to being the process of developing a First Steps Theory of Change
- First draft of the process has been completed.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' ANNUAL REPORT

OBJECTIVES AND ACTIVITIES (continued)

Our priorities for 2022 – 2023 are: -

Priority One: To continue with the ambitious vision to deliver universal, inclusive children care and education, high expectations for children's achievement and high standards of provision.

Ensure that a sharp focus is placed on improving the life chances of children through accurate evaluation of provision through information gathered from, children, parents, staff and linked professionals and data from children's assessments.

To embed the concept of Childhoodnature, the idea that children are nature that human health and wellbeing is linked to the environment.

That adults have a responsibility to ensure that children have access to nature and opportunities to explore the natural world, that children are encouraged to be active citizens and are encouraged in appropriate ways to embed sustainability. To be promoting healthy and sustainable living for children, families and the community.

Priority Two: To further develop the concept of Community Nursery and Early Years Centre through the delivery of services that raise the profile of the early years in a child's life and are responsive to family needs and special educational needs.

Priority Three: To further develop the Social Enterprise Model, exploring new funding and trading opportunities, employing a mixed model of funding to ensure the success and security of our long-term future.

Priority Four: To develop the theory of change, identifying the core problem that First Steps aims to address, its root causes and consequences, question assumptions and establish evidence of need. Leading to meaningful and measurable activities that meet community need and can be clearly articulated.

FINANCIAL REVIEW

The Covid-19 Pandemic continued to have an impact on occupancy through the year with services having to partially close rooms due to staff being off with Covid which has had a small impact on income with some fees being refunded to parents. B&NES supported businesses through some COVID funding to enable purchase of PPE and funding was recovered from HMRC for Statutory sick pay for staff off with COVID.

The significant features of the finances during the year are as follows:

- **Nursery income** - Nursery fee income was up by 18% to £933,872 from previous year and up 8% up against pre-covid 2019-20.
- **Specialist Service Contract** – First Steps was awarded a 3-year contract with B&NES to take on the provision of a specialist service from August 2018 with a contract value of £200,000 per annum which has been extended a further 2 years until July 2023.
- **Funding from B&NES** – Placement and Inclusion payments from Social Services exceeded budget expectations by 66% and even though income was down compared to last year it was up by £21,439 from 2019-20. Other income was received for Delayed School entry children, the Disability Access Fund and Early Years Pupil Premium.
- **COVID Grant** – awarded from local government to support the additional costs of remaining open within Covid restrictions

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' ANNUAL REPORT

FINANCIAL REVIEW (continued)

- **Total incoming resources** - the increase in nursery fee income was offset by decreased B&NES funding. This meant incoming resources from charitable activities have grown by £23,162; after including income from fundraising £35,245 (£26,220 restricted) and other sources; to a total £1,318,606, (2021: £1,420,079).
- **Employment costs** – at £1,075,416 these amount to 78% of all spending on unrestricted activities an increase from previous year due to rising employment costs and increase in staff to support additional children, particularly those with special educational needs and increased numbers of children attending.
- **Other direct costs** – of £129,562 have reduced compared to previous year by £29,944 (2021: £159,506) (2020: £118,231) mainly a result of reduced Special Projects. The assessed value of free meals for children increased to £13,578 (2021: £11,946) of which was funded by restricted and unrestricted donations.
- **Overheads** - amount to £165,640 which was 12% increase than previous year due to rising utility costs and the re-introduction of business rates which the government did not charge in 2020-21.

The overall result for the year was a deficit funds of £52,002 (2021: £184,205 surplus), movement in funds, this was a result of a surplus of £5,267 on restricted funds, a deficit against the fixed asset fund of £35,779 and a deficit on restricted funds of £21,490.

In 2020, the trustees have also created a designated fixed asset reserve to allow clearer recognition of working capital (expendable free reserves) and those reserves tied up as liquid assets. Further information can be found in the notes to the accounts.

Reserves policy

The trustees have carefully considered the level of free reserves that should be maintained to safeguard our obligations under our contract and the needs of users of First Steps Services. The trustees have agreed that the minimum free reserves should amount to no less than 2 months total expenditure for the new financial year which is approximately £240,000. Currently free reserves amount to £342,738, 2.8 months total expenditure. The balance will be invested in the business following the consultation exercise described in the Chair's Report (p2).

In light of the continuing effect of Covid both directly on our business and indirectly with our service users and the impact on our ability to raise funds in the future, in addition to the effect of high inflation rates the trustees are satisfied with the current level of reserves.

Fixed assets

Movements in fixed assets are set out in Note 13 to the financial statements; there was one addition to fixed assets during the year which relates to new CCTV system £2,580 (2021, £2,550).

PLANNING FOR THE FUTURE

Trustees are working to ensure that the local community has a voice directing our strategic direction using the Theory of Change and we remain a grassroots organisation embedded in the areas we work in. We recognise that diversity clearly represented with services is not reflected further up the organisation and are working with a local organisation whose aim is to cultivate belonging in Bath and the surrounding area through co-creation, collaboration, conversation and learning.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' ANNUAL REPORT

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees (who are also the directors of the First Steps (Bath) for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each 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 group for that period. In preparing the 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 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 business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

TRUSTEES' ANNUAL REPORT

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Statement as to disclosure to our auditors

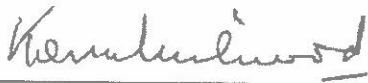
In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

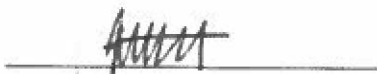
By order of the board of trustees

AUDITORS

The auditors, Moore, will be proposed for re-appointment at the forthcoming Annual General Meeting. Approved by order of the board of trustees on 19th July 2022 and signed on its behalf by:-



Ken Littlewood - Chair



Sarah Elliott – Company Secretary

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRST STEPS (BATH)

Opinion

We have audited the financial statements of First Steps Bath Ltd (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2022 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 Auditors 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 charitable company'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.

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

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRST STEPS (BATH) (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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.

Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, 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.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRST STEPS (BATH) (continued)

Responsibilities of trustees (continued)

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.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, Charities Act 2011, Charities SORP 2019, UK Financial Reporting Standards and UK taxation legislation.

We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRST STEPS (BATH) (continued)

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Powell (Senior Statutory Auditor)
for and on behalf of Moore Chartered Accountants and Statutory Auditors
30 Gay Street
Bath
BA1 2PA

Date: 26/7/2022

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

				31.3.22	31.3.21
		Unrestricted funds	Designated Fixed Asset Reserve Fund	Restricted funds	Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	9,025	-	26,220	35,245
Charitable activities	5				
Charitable Activities		1,262,125	-	-	1,262,125
Other trading activities	3	21,201	-	-	21,201
Investment income	4	45	-	-	45
Total		1,292,396	-	26,220	1,318,616
EXPENDITURE ON					
Charitable activities	6				
Charitable Activities		1,313,886	35,779	20,953	1,370,618
NET INCOME/(EXPENDITURE)		(21,490)	(35,779)	5,267	(52,002)
Transfers between funds	18	(2,777)	2,580	197	-
Net movement in funds		(24,267)	(33,199)	5,464	(52,002)
RECONCILIATION OF FUNDS					
Total funds brought forward		367,005	1,419,073	89,792	1,875,870
TOTAL FUNDS CARRIED FORWARD		342,738	1,385,874	95,256	1,823,868

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
BALANCE SHEET AT 31 MARCH 2021

				31.3.22	31.3.21
		Unrestricted funds	Designated Fixed Asset Reserve Fund	Restricted funds	Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	13	-	1,385,874	-	1,385,874
CURRENT ASSETS					
Stocks	14	1,056	-	-	1,056
Debtors	15	69,190	-	-	69,190
Cash at bank		338,841	-	95,256	434,097
		409,087	-	95,256	504,343
CREDITORS					
Amounts falling due within one year	16	(66,349)	-	-	(66,349)
NET CURRENT ASSETS		<u>342,738</u>	<u>-</u>	<u>95,256</u>	<u>437,994</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>342,738</u>	<u>1,385,874</u>	<u>95,256</u>	<u>1,823,868</u>
NET ASSETS		<u>342,738</u>	<u>1,385,874</u>	<u>95,256</u>	<u>1,823,868</u>
FUNDS					
Unrestricted funds	18			1,728,612	1,786,078
Restricted funds				95,256	89,792
TOTAL FUNDS				<u>1,823,868</u>	<u>1,875,870</u>

The financial statements were approved by the Board of Trustees on 19th July 2022 and were signed on its behalf by:



Ken Littlewood - Chair



Sarah Elliott - Company Secretary

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF CASH FLOWS

	Notes	31.3.22 £	31.3.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>156,812</u>	<u>13,935</u>
Net cash provided by operating activities		<u>156,812</u>	<u>13,935</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(2,580)	(2,550)
Interest received		<u>45</u>	<u>146</u>
Net cash used in investing activities		<u>(2,535)</u>	<u>(2,404)</u>
Change in cash and cash equivalents in the reporting period		<u>154,277</u>	<u>11,531</u>
Cash and cash equivalents at the beginning of the reporting period		<u>279,820</u>	<u>268,289</u>
Cash and cash equivalents at the end of the reporting period		<u>434,097</u>	<u>279,820</u>

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.22 £	31.3.21 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(52,002)	184,205
Adjustments for:		
Depreciation charges	35,779	37,267
Interest received	(45)	(146)
Decrease in stocks	243	857
Decrease/(increase) in debtors	162,516	(187,529)
Increase/(decrease) in creditors	<u>10,321</u>	<u>(20,719)</u>
Net cash provided by operations	<u>156,812</u>	<u>13,935</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank	<u>279,820</u>	<u>154,277</u>	<u>434,097</u>
	<u>279,820</u>	<u>154,277</u>	<u>434,097</u>
Total	<u>279,820</u>	<u>154,277</u>	<u>434,097</u>

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

The accompanying accounting policies and notes form an integral part of these financial statements

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparing the financial statements

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

First Steps (bath) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going Concern

The trustees have considered the financial resources and commitments of the charity and concluded that they have sufficient resources to meet liabilities as they fall due. The trustees therefore consider it appropriate to prepare the financial statement on the going concern basis.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Contract and grant income is included as incoming resources in the period to which it relates;
- When donors specify that donations or grants are for particular restricted purposes, the income is included as incoming resources of restricted funds when receivable. Grants received are deferred and recognised through the statement of financial activities in full when conditions for receipt are complied with;
- Intangible income, including gifts in kind, is included at the trustees' valuation when known;
- No amounts are included in the financial statements for services donated by volunteers;
- Where incoming resources are for goods or services and, upon full performance of the service, any surplus funds can be retained and used for general purposes, the incoming resources and related expenditure is treated as Unrestricted.

Resources expended and liabilities

Expenditure is recognised on an accruals basis as a liability is incurred; inclusive of any VAT where this cannot be recovered. Liabilities are recognised when the charity has an obligation to transfer economic benefit as a result of a past transaction or event.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

PRINCIPAL ACCOUNTING POLICIES (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Pensions

The charity's employees are eligible to participate in The Pension Trust's Defined Contribution Pension Scheme. The employer's contributions payable to this scheme are charged to the income and expenditure account in the period to which they relate.

Fund accounting

Funds held by the charity are either:

- Unrestricted - these are donations and other income generated, for the objects of the charity without further specified purposes and which can be used in accordance with the charitable objects at the discretion of the trustees.
- Designated – These are Unrestricted funds, set aside by the trustees for specific purposes and do not represent free reserves.
- Restricted funds - these can only be used for particular restricted purposes, the charity, as specified by the donor. Expenditure which meets these criteria is charged against the fund.

Further details of the funds are given in the Notes to the Accounts.

Tangible Fixed Assets

Tangible fixed assets costing more than £2,000 are capitalised and included at cost. Depreciation is calculated to write off the cost, less estimated residual values, of tangible fixed assets over their estimated useful lives to the charity. The annual depreciation rates and methods are:

Leasehold property	Evenly over a period of 50 years
Fixtures, fittings and equipment	10 or 25% straight line

A review of impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognized as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

2. DONATIONS AND LEGACIES

	31.3.22	31.3.21
	£	£
Donations and fundraising	11,953	85,963
Grants	<u>23,292</u>	<u>77,851</u>
	<u>35,245</u>	<u>163,814</u>

Grants received, included in the above, are as follows:

	31.3.22	31.3.21
	£	£
B&NES Small Grants	6,560	-
Grants - Various (exc B&NES)	16,732	3,050
Government Grants	<u>-</u>	<u>74,801</u>
	<u>23,292</u>	<u>77,851</u>

The government grant in 2021 related to the Coronavirus Job Retention Scheme (CJRS). No CJRS grants were received in the year ended 31 March 2022.

3. OTHER TRADING ACTIVITIES

	31.3.22	31.3.21
	£	£
Community lettings	16,824	15,665
Miscall Income	<u>4,377</u>	<u>1,491</u>
	<u>21,201</u>	<u>17,156</u>

4. INVESTMENT INCOME

	31.3.22	31.3.21
	£	£
Deposit account interest	<u>45</u>	<u>146</u>

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

5. INCOME FROM CHARITABLE ACTIVITIES

			31.3.22 Charitable Activities £	31.3.21 Total Activities £
Incoming Resources			<u>1,262,125</u>	<u>1,238,963</u>
	Unrestricted	Restricted	Total	Total
	Funds	Funds	2022	2021
	£	£	£	£
Bath & North East Somerset Council:				
Children's Centre Contract Funding	10,610	-	10,610	42,950
BOP	201,667	-	201,667	200,000
Social Services: CHIF	119,656	-	119,656	205,012
Other grant funding	-	-	-	-
Other revenue funding	-	-	-	360
Total Revenue Funding	331,933	-	331,933	448,332
Nursery Fees & Related Funding:				
Early Years Entitlement	430,601	-	430,601	434,387
Nursery fees charged to parents	477,314	-	477,314	334,479
Early Years Pupil Premium	22,277	-	22,277	21,775
	<u>930,312</u>	<u>-</u>	<u>930,312</u>	<u>790,641</u>
Total Income from charitable activities	<u>1,262,125</u>	<u>-</u>	<u>1,262,125</u>	<u>1,238,963</u>

2021 Comparative

	Unrestricted	Restricted	Total
	Funds	Funds	2021
	£	£	£
Bath & North East Somerset Council:			
Children's Centre Contract Funding	42,950	-	42,950
BOP	200,000	-	200,000
Social Services: CHIF	205,012	-	205,012
Other grant funding	-	-	-
Other revenue funding	360	-	360
Total Revenue Funding	448,322	-	448,332
Nursery Fees & Related Funding:			
Early Years Entitlement	434,387	-	434,387
Nursery fees charged to parents	334,479	-	334,479
Early Years Pupil Premium	21,775	-	21,775
	<u>790,641</u>	<u>-</u>	<u>790,641</u>
Total Income from charitable activities	<u>1,238,963</u>	<u>-</u>	<u>1,238,963</u>

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Charitable Activities	<u>1,361,326</u>	<u>9,292</u>	<u>1,370,618</u>
	Unrestricted	Restricted	Total
	Funds	Funds	2022
	£	£	£
Direct Costs:			
Employment costs	1,054,463	20,953	1,075,416
Catering costs	57,840	-	57,840
Staff costs (training costs, expenses etc.)	45,243	-	45,243
Special Projects: Direct Costs	8,465	-	8,465
Service costs	8,306	-	8,306
Bad debts - fees written off	9,708	-	9,708
Total Direct Costs	<u>1,184,025</u>	<u>20,953</u>	<u>1,204,978</u>
Overheads:			
Premises costs	70,200	-	70,200
Administrative costs	15,762	-	15,762
Information Technology costs	34,606	-	34,606
Depreciation charges	35,779	-	35,779
Support costs (See note 7)	9,293	-	9,293
Total Overhead Costs	<u>165,640</u>	<u>-</u>	<u>165,640</u>
Total Costs of Charitable activities	<u>1,349,665</u>	<u>20,953</u>	<u>1,370,618</u>
			<u>1,235,874</u>

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

6. CHARITABLE ACTIVITIES COSTS

2021 Comparative

	Direct Costs £	Support costs (see note 7 £	Total £
Charitable Activities	<u>1,227,512</u>	<u>8,362</u>	<u>1,235,874</u>

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Direct Costs:			
Employment costs	853,909	74,801	928,710
Catering costs	39,362	-	39,362
Staff costs (training costs, expenses etc.)	14,184	-	14,184
Special Projects: Direct Costs	8,858	62,620	71,478
Service costs	25,465	-	25,465
Bad debts - fees written off	9,017	-	9,017
Total Direct Costs	950,795	137,421	1,088,216
Overheads:			
Premises costs	59,739	-	59,739
Administrative costs	15,907	-	15,907
Information Technology costs	26,383	-	26,383
Depreciation charges	37,267	-	37,267
Support costs (See note 7)	8,362	-	8,362
Total Overhead Costs	147,658	-	147,658
Total Costs of Charitable activities	<u>1,098,453</u>	<u>137,421</u>	<u>1,235,874</u>

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

7. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Charitable Activities	<u>2,153</u>	<u>7,139</u>	<u>9,292</u>

2021 Comparative

	Finance	Governance costs	Totals
	£	£	£
Charitable Activities	<u>1,656</u>	<u>6,706</u>	<u>8,362</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.22	31.3.21
	£	£
Auditors' remuneration	6,000	5,650
Depreciation - owned assets	35,779	37,268
Other operating leases	<u>6,400</u>	<u>6,389</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustee's remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

No remuneration or expenses were paid during the year to any of the trustees (2021:£Nil). Two Trustees have children in a children's centre nursery, they paid the full rate for all services used and so received no benefit as result of their role as Trustees.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

10. STAFF COSTS

	31.3.22	31.3.21
	£	£
Wages and salaries	980,257	845,135
Social security costs	54,353	47,384
Other pension costs	40,806	36,191
	<u>1,075,416</u>	<u>928,710</u>

The average monthly number of employees during the year was as follows:

	31.3.22	31.3.21
Delivery of Children's & Family Services	44	39
Management and Administration	<u>5</u>	<u>3</u>
	<u>49</u>	<u>42</u>

No employees received emoluments in excess of £60,000.

The key management personnel of the charity comprise the trustees, the Chief Executive Officer, Finance and Administration Manager, Early Years Advisory Teacher, a Children's Services Manager for Twerton and a Children's Services manager for Moorlands. The total employee benefits of the key management personnel of the Trust were £184,862 (2021:£161,806).

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Designated Fixed Asset Reserve Fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	15,291	-	148,523	163,814
Charitable activities				
Charitable Activities	1,238,963	-	-	1,238,963
Other trading activities	17,156	-	-	17,156
Investment income	146	-	-	146
Total	1,271,556	-	148,523	1,420,079
EXPENDITURE ON				
Charitable activities				
Charitable Activities	1,061,186	37,267	137,421	1,235,874
NET INCOME/(EXPENDITURE)	210,370	(37,267)	11,102	184,205
Transfers between funds	(2,549)	2,549	-	-
Net movement in funds	207,821	(34,718)	11,102	184,205
RECONCILIATION OF FUNDS				
Total funds brought forward	159,184	1,453,791	78,690	1,691,665
TOTAL FUNDS CARRIED FORWARD	367,005	1,419,073	89,792	1,875,870

12. TAXATION

First Steps (Bath) is a registered charity and accordingly is exempt from taxation on its income and capital gains, provided certain conditions are met.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

13. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2021	1,721,954	114,061	10,261	1,846,276
Additions	-	-	2,580	2,580
At 31 March 2022	<u>1,721,954</u>	<u>114,061</u>	<u>12,841</u>	<u>1,848,856</u>
DEPRECIATION				
At 1 April 2021	308,069	109,311	9,823	427,203
Charge for year	<u>33,767</u>	<u>1,574</u>	<u>438</u>	<u>35,779</u>
At 31 March 2022	<u>341,836</u>	<u>110,885</u>	<u>10,261</u>	<u>462,982</u>
NET BOOK VALUE				
At 31 March 2022	<u>1,380,118</u>	<u>3,176</u>	<u>2,580</u>	<u>1,385,874</u>
At 31 March 2021	<u>1,413,885</u>	<u>4,750</u>	<u>438</u>	<u>1,419,073</u>

14. STOCKS

	31.3.22	31.3.21
	£	£
Stocks	<u>1,056</u>	<u>1,299</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade debtors	59,855	157,619
Prepayments and accrued income	<u>9,335</u>	<u>74,087</u>
	<u>69,190</u>	<u>231,706</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22	31.3.21
	£	£
Trade creditors	13,510	11,674
Social security and other taxes	20,911	11,508
Other creditors	<u>31,928</u>	<u>32,846</u>
	<u>66,349</u>	<u>56,028</u>

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.22	31.3.21
	£	£
Within one year	1,468	1,547
Between one and five years	<u>3,549</u>	<u>2,331</u>
	<u>5,017</u>	<u>3,878</u>

18. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	Transfers between funds	At 31.3.22
	£	£	£	£
Unrestricted funds				
General fund	367,005	(21,490)	(2,777)	342,738
Designated Fixed Asset Reserve	<u>1,419,073</u>	<u>(35,779)</u>	<u>2,580</u>	<u>1,385,874</u>
	1,786,078	(57,269)	(197)	1,728,612
Restricted funds				
Subsidised Meals	1,811	(1,811)	-	-
Quartet Foundation	-	467	-	467
BOP	87,081	-	-	87,081
Partnership With Parents	518	-	-	518
Moorlands Decoration	382	(241)	-	141
Children with SEN	-	(197)	197	-
St Johns Language for Life	-	1,328	-	1,328
Replacing Boiler Heating system	-	1,800	-	1,800
Stay and Play	-	3,421	-	3,421
Waitrose Childhood Nature	-	500	-	500
	<u>89,792</u>	<u>5,267</u>	<u>197</u>	<u>95,256</u>
TOTAL FUNDS	<u>1,875,870</u>	<u>(52,002)</u>	<u>-</u>	<u>1,823,868</u>

The funds of the charity include both designated and restricted funds. The material funds include:

Designated Fixed Asset Reserve: - This represents the reserves tied up in fixed assets that are required to provide the services of the charity and are not easily liquidated.

BOP: to help support children with special educational needs within the nurseries.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,292,396	(1,313,886)	(21,490)
Designated Fixed Asset Reserve	-	(35,779)	(35,779)
	<u>1,292,396</u>	<u>(1,349,665)</u>	<u>(57,269)</u>
Restricted funds			
Trips & Events	2,533	(2,533)	-
Subsidised Meals	9,946	(11,757)	(1,811)
Quartet Foundation	1,175	(708)	467
Moorlands Decoration	-	(241)	(241)
Xmas toys/books	731	(731)	-
Children with SEN	1,200	(1,397)	(197)
St Johns Language for Life	2,880	(1,552)	1,328
Theory of Change	1,618	(1,618)	-
Consortium order Moorlands			
	181	(181)	-
Replacing Boiler Heating system	1,800	-	1,800
Stay and Play	3,656	(235)	3,421
Waitrose Childhood Nature	500	-	500
	<u>26,220</u>	<u>(20,953)</u>	<u>5,267</u>
TOTAL FUNDS	<u><u>1,318,616</u></u>	<u><u>(1,370,618)</u></u>	<u><u>(52,002)</u></u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	159,184	210,370	(2,549)	367,005
Designated Fixed Asset Reserve	<u>1,453,791</u>	<u>(37,267)</u>	<u>2,549</u>	<u>1,419,073</u>
	1,612,975	173,103	-	1,786,078
Restricted funds				
Subsidised Meals	-	1,811	-	1,811
BOP	77,692	9,389	-	87,081
Partnership With Parents	518	-	-	518
Moorlands Decoration	<u>480</u>	<u>(98)</u>	<u>-</u>	<u>382</u>
	<u>78,690</u>	<u>11,102</u>	<u>-</u>	<u>89,792</u>
TOTAL FUNDS	<u><u>1,691,665</u></u>	<u><u>184,205</u></u>	<u><u>-</u></u>	<u><u>1,875,870</u></u>

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

NOTES TO THE FINANCIAL STATEMENTS

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,271,556	(1,061,186)	210,370
Designated Fixed Asset Reserve	-	(37,267)	(37,267)
	<u>1,271,556</u>	<u>(1,098,453)</u>	<u>173,103</u>
Restricted funds			
Subsidised Meals	13,757	(11,946)	1,811
BOP	12,700	(3,311)	9,389
Moorlands Decoration	-	(98)	(98)
Xmas toys/books	2,000	(2,000)	-
Panto/Sensory play	3,986	(3,986)	-
Home Learning			
	4,072	(4,072)	-
Covid related government grants			
	77,851	(77,851)	-
Julia Rausing Sustainability	<u>34,157</u>	<u>(34,157)</u>	<u>-</u>
	<u>148,523</u>	<u>(137,421)</u>	<u>11,102</u>
TOTAL FUNDS	<u><u>1,420,079</u></u>	<u><u>(1,235,874)</u></u>	<u><u>184,205</u></u>

19. EMPLOYEE BENEFIT OBLIGATIONS

The Charity is a member of The Pension Trust's Defined Contribution Pension Scheme. Contributions made by the charity amounted to £40,806 (2021: £36,869). Year ended contributions outstanding amounted to £7,662 (2021: £6,407).

20. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES.

At 31 March 2022 there were no capital commitments or contingent liabilities (2021 - None).

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.