



## First Steps (BATH)

# Report of the Trustees and Financial Statements for the year ended 31<sup>st</sup> March 2024

IN PARTNERSHIP WITH

**Bath & North East  
Somerset Council**

First Steps (Bath)

Charity registration number 1012690

Registered Company number 02656485

Contents of the Financial Statements  
for the Year Ended 31 March 2024

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## **CHAIR'S REPORT 2024**

I am pleased to report on another year when First Steps has made good progress on the objectives we have set ourselves. We wish to provide local, quality, all year around nursery care, and a support hub for families with preschool children. Our focus on the community has continued, and over half our staff live in the areas where we work.

A particular challenge for us, along with other similar settings, has been to ensure that we have maintained target levels of staffing during the year without sacrificing quality and standards. We have sought to be as flexible as we can on providing fair remuneration levels and working hours, as well as in the overall support provided to staff. We have provided various training opportunities, including encouraging staff to work towards Dingley's promise 'Mark of Achievement', and additional training to support Special Educational Needs. We hope to develop these further in the year ahead.

Our overall financial position remains sound and we have been able to invest in the development of services at all three of our settings from First Steps reserves. We have successfully completed the Bath Opportunity Preschool's move to new premises, having been awarded the contract for a further five years, allowing us to continue to provide this valuable service. We have improved the garden and outdoor facilities at Twerton and made better use of our premises at Moorlands. We have provided free school meals to around a quarter of our children most in need. None of this would have been possible without the generosity of our many and varied funders, and I thank them for their support.

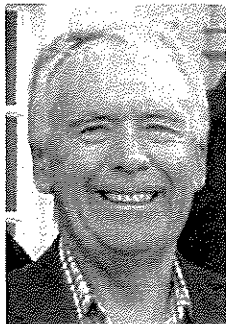
Funding allows us to respond more positively to the many opportunities to develop our services. The importance of the preschool years to a child's development is now well recognised, and the recent changes in early years entitlements will increase the demand for the services we provide. I am confident First Steps is in a good position to respond to these.

I have now completed nine years as a First Steps trustee, six of them as chair, and have decided to step down at the end of this year. It is important that Boards are regularly refreshed with new people with new ideas. I have continually been impressed by the quality of the staff at all levels, and by the commitment of parents, volunteers and funders. Particularly I want to thank the excellent group of trustees that I have had the opportunity of working with. Without exception they have provided thoughtful comment and advice, as well as, most importantly, time to support many different areas of our activities. I will miss being an active part of this.

Best wishes

Ken Littlewood

Chair of Trustees



## TRUSTEES' ANNUAL REPORT

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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 2022).

### STRATEGIC REPORT

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### REFERENCE AND ADMINISTRATIVE DETAILS

Chair	Ken Littlewood	Retired Business Executive
Vice Chair	Janet Rose	Director
Vice Chair	Elisabeth Hacking	Senior Lecturer and Deputy Head, Department of Education, University of Bath
Treasurer	*Tom Williams	Management Accountant
Other trustees	Isobel Michael	Fundraiser
Resigned Oct 2023	*Kate Tuckwell	Senior Lecturer of Social and Policy Sciences
	Meg North	Retired local government officer
	Marina Sloan	Specialist Speech & Language Therapist
Resigned Oct 2023	Mike Turner	Manager Director
	*Simon Andrews	Project Manager
	Val Wheeler	Retired Health Visitor
	*Jayanna Witt	Parent
* Denotes parents whose children used First Steps (Bath) services during the year.		
Senior Management Team		
	Roz Lambert	Chief Executive
	Sarah Elliott	Finance & HR Manager and Company Secretary
Maternity Leave Jan 23 to Oct 23	Charlotte Miller	Children's Services Manager - Moorlands
Resigned Aug 2023	Sian Barnett	Acting Children's Services Manager - Moorlands
	Louise Hewings	Children's Services Manager - Twerton
	Stefanie Walbyoff	Children's Services Manager - BOP
Registered Company number	02656485 (England and Wales)	
Registered Charity number	1012690	
Registered Office	Ms S Elliott, Woodhouse Road, Twerton, Bath, BA2 1SY	
E-mail	info@firststepsbath.org.uk	
Website	www.firststepsbath.org.uk	

# TRUSTEES' ANNUAL REPORT

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### 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 ongoing; interested potential Trustees are invited to submit a CV and meet with the Chair of Trustees and CE before 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 on 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.

### 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, emphasising 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.
- 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-judgmental 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 their children's educational and developmental progress.

## **TRUSTEES' ANNUAL REPORT STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Our guiding principles**

- 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.

### **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.
- Speech & Language service: We use the pupil premium funding to pay for a speech and language therapist 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. In addition, First Steps is part of the.
- The project aims to close the persistent word gap that impacts children's later outcomes, thereby making a significant difference in their lives. The project also supports preschool children to reach their age-related expectations in communication and language development before they transition into primary school settings in Bath and Keynsham.
- Other health professionals, e.g., community paediatricians, and occupational therapists – provide staff with advice and guidance, and 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.
- Local Authority Children's Services - First Steps provides placements for 'children in need' and/or children who are the subject of a child protection plan, and 'child-friendly' venues for contact sessions.
- Local Authority Early Years and Special Educational Needs teams.
- Southside Family Project: supporting families with complex needs.
- Local schools, particularly our neighbours: Moorlands Schools Federation and Twerton Infants School.
- B&NES Bright Start Children's Centre's: 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.

## TRUSTEES' ANNUAL REPORT OBJECTIVES AND ACTIVITIES

### ACHIEVEMENT AND PERFORMANCE.

#### Our achievements for 2023 – 2024

**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 childhood nature, the idea that children are nature, that human health and well-being are linked to the environment and 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 promote healthy and sustainable living for children's families and the community.

- Continued to use the Thrive Approach a powerful assessment and interaction tool that supports children's emotional and social development.
- Consultation with staff, parents, and carers.
- Locally employed 55% of the staff team.
- Increased opportunities for staff development and progression
- Embedded new nursery software, improving communication with families.
- 96% of children attend nursery for more than 11 hours a week, which is the time that research indicates supports children to benefit most from their Early Years Education.
- Successfully moved the BOP Bath Opportunity Preschool to new premises.

**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. Taking actions to build an organization that includes the voice of minority groups.

**Priority Three:** To further develop the Social Enterprise Model, exploring new funding and trading opportunities, employing a mixed model of funding to support special projects that meet community need.

- Secured ongoing funding to support Stay and Play sessions for children with special educational needs, thirty-two families attended across the year.
- Fundraised to deliver quality services and free meals to children from low-income families.
- Loaned home learning bags to families and held home learning sessions within the nursery.
- Maintained occupancy to capacity.
- Created increased income from room rental.

**Priority Four:** To enable the trustee board to reflect the voice of the community of families that services work with, (locality and community of need) to ensure confident decision making and understanding of their role and responsibilities and are ready to be accountable to families with young children who use First Steps services.

- We have recruited three new trustees to the board.

#### Our priorities for 2024 – 2025 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 childhood nature, the idea that children are nature, and that human health and well-being are linked to the environment and 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 promote healthy and sustainable living for children's 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. Taking action to build an organization that includes the voice of minority groups.

**Priority Three:** To further develop the Social Enterprise Model, exploring new funding and trading opportunities, employing a mixed model of funding to support special projects that meet community needs.

**Priority 4:** To secure the necessary funding to successfully complete refurbishment projects at our Twerton and Moorlands facilities, as well as at the BOP site. In addition, to supporting expansion initiatives at the Twerton location. Our focus is on enhancing our facilities to better serve our community and stakeholders.

## FINANCIAL REVIEW

There has been increase demand for our services during the year with services being full during peak sessions. The significant features of the finances during the year are as follows:

- **Nursery income** - Nursery fee income was up by 13% to £1,296,112 from the previous year.
- **Specialist Service Contract** – The specialist service contract ended in August 2023 with the new contract being awarded to First Steps with B&NES to provide a specialist service from September 2023 to August 2027 with a contract value of £250,368 per annum.
- **Funding from B&NES** – Payments to support inclusion from Social Services which are dependent on individual children's needs were lower than budget expectations and down compared to last year. Additional income was received for children whose families have opted for delayed school entry compared to last year. A higher number of children were eligible for the Disability Access Fund and Early Years Pupil Premium.
- **Income from Charitable Activities** - the increase in nursery fee income has meant income from charitable activities has grown by £150,892; to a total of £1,648,227 (2023: £1,497,335).
- **Employment costs** – at £1,420,577 these have risen to 78% of all spending on unrestricted activities an increase of 2% to the previous year which was due to rising employment costs and an increase in staff to support additional children, particularly those with special education needs.
- **Other direct costs** – of £213,559 which include the relocation of a service and additional SEN training have increased compared to the previous year by £62,873 (2023: £150,686). The assessed value of free meals for children increased to £19,073 (2023: £14,334) which was funded by restricted and unrestricted donations.
- **Overheads** - amount to £224,859, which was a 21% increase on the previous year due to increased premises costs, redecoration of services and inflation.

The overall result for the year was a deficit fund of £132,360 (2023: £46,249 surplus). The movement in funds, is a result of a deficit of £6,281 on restricted funds, a movement in funds to the designated fixed asset fund of a deficit £28,222 and a deficit on unrestricted funds of £97,857.

### 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 based on budget expectations in the new financial year, which is approximately £302,000. Currently unrestricted reserves amount to £302,428.

Considering the current economic climate 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 lower inflation rates and high demand for service the trustees are satisfied with the current level of reserves.

## **TRUSTEES' ANNUAL REPORT FINANCIAL REVIEW (continued)**

### **Fixed assets**

Movements in fixed assets are set out in Note 13 to the financial statements; there were three additions to fixed assets during the year totalling £10,804 which relate to a new automatic door £6,150, a new telephone system £2,623 and Bike 2 Work scheme £2,031 (2023, £12,156).

### **Planning for the future**

Trustees have used the Theory of Change model to support decision-making and are continuing to ensure that diversity is represented within services is also reflected further up the organisation. We recognise that this is a slow process but one that needs to be built with substance and commitment.

Financial decisions have been made to strengthen the workforce and improve buildings to secure quality for future years whilst avoiding undue financial pressures on parents. This will secure all services with the expansion of the Early Years Entitlement and particularly the Early Years specialist service.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of First Steps (Bath) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with 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".

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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

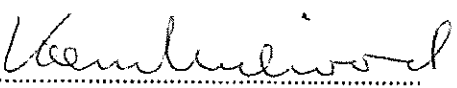
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- 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 auditors are aware of that information.

### **AUDITORS**

The auditors Moore will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 17<sup>th</sup> July 2024 and signed on the board's behalf by:

  
.....  
K Littlewood - Trustee

Report of the Independent Auditors to the Members of  
First Steps (Bath)

**Opinion**

We have audited the financial statements of First Steps (Bath) (the 'charitable company') for the year ended 31 March 2024 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 2024 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 Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

Report of the Independent Auditors to the Members of  
First Steps (Bath)

**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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 during 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 during 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.

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.

Report of the Independent Auditors to the Members of  
First Steps (Bath)

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 based on these financial statements.

The extent to which our procedures can detect 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, 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of  
First Steps (Bath)

**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 Auditor  
30 Gay Street  
Bath  
BA1 2PA

Date: ..... 29 / 7 / 2024 .....

First Steps (Bath)

Statement of Financial Activities  
for the Year Ended 31 March 2024

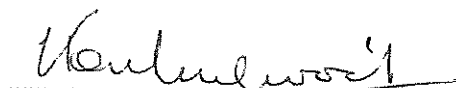
				31.3.24	31.3.23
		Unrestricted funds	Designated Fixed Asset Reserve Fund	Restricted funds	Total funds
	Notes	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	5,340	-	27,139	32,479
<b>Charitable activities</b>					
Charitable Activities	5	1,648,227	-	-	1,648,227
Other trading activities	3	38,207	-	-	38,207
Investment income	4	<u>7,721</u>	<u>-</u>	<u>-</u>	<u>7,721</u>
<b>Total</b>		<u>1,699,495</u>	<u>-</u>	<u>27,139</u>	<u>1,726,634</u>
<b>EXPENDITURE ON</b>					
Charitable activities	6	<u>1,786,548</u>	<u>39,026</u>	<u>33,420</u>	<u>1,858,994</u>
Charitable Activities					
<b>NET</b>					
<b>INCOME/(EXPENDITURE)</b>		(87,053)	(39,026)	(6,281)	(132,360)
Transfers between funds	18	<u>(10,804)</u>	<u>10,804</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		(97,857)	(28,222)	(6,281)	(132,360)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		400,285	1,362,050	107,782	1,870,117
<b>TOTAL FUNDS CARRIED FORWARD</b>					
		<u>302,428</u>	<u>1,333,828</u>	<u>101,501</u>	<u>1,737,757</u>

First Steps (Bath)

Statement of Financial Position  
31 March 2024

				31.3.24	31.3.23
		Unrestricted	Designated Fixed Asset Reserve Fund	Restricted	Total
	Notes	funds	£	funds	funds
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	13	-	1,333,828	-	1,333,828
<b>CURRENT ASSETS</b>					
Stocks	14	743	-	-	743
Debtors	15	30,161	-	-	30,161
Cash at bank		<u>423,129</u>	-	<u>101,501</u>	<u>524,630</u>
		454,033	-	101,501	555,534
<b>CREDITORS</b>					
Amounts falling due within one year	16	(151,605)	-	-	(151,605)
<b>NET CURRENT ASSETS</b>		<u>302,428</u>	-	<u>101,501</u>	<u>403,929</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>302,428</u>	<u>1,333,828</u>	<u>101,501</u>	<u>1,737,757</u>
<b>NET ASSETS</b>		<u>302,428</u>	<u>1,333,828</u>	<u>101,501</u>	<u>1,737,757</u>
<b>FUNDS</b>					
Unrestricted funds	18			1,636,256	1,762,335
Restricted funds				<u>101,501</u>	<u>107,782</u>
<b>TOTAL FUNDS</b>				<u>1,737,757</u>	<u>1,870,117</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 17<sup>th</sup> June 2024 and were signed on its behalf by:



Ken Littlewood, Chair of Trustees

First Steps (Bath)

Statement of Cash Flows  
for the Year Ended 31 March 2024

	Notes	31.3.24 £	31.3.23 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>80,833</u>	<u>22,776</u>
Net cash provided by operating activities		<u>80,833</u>	<u>22,776</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(10,804)	(12,156)
Interest received		<u>7,721</u>	<u>2,163</u>
Net cash used in investing activities		<u>(3,083)</u>	<u>(9,993)</u>
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		77,750	12,783
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>446,880</u>	<u>434,097</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>524,630</u>	<u>446,880</u>

First Steps (Bath)

Notes to the Statement of Cash Flows  
for the Year Ended 31 March 2024

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

	31.3.24	31.3.23
	£	£
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	(132,360)	46,249
<b>Adjustments for:</b>		
Depreciation charges	39,026	35,980
Interest received	(7,721)	(2,163)
Decrease in stocks	196	117
Decrease/(increase) in debtors	99,336	(60,307)
Increase in creditors	<u>82,356</u>	<u>2,900</u>
<b>Net cash provided by operations</b>	<u>80,833</u>	<u>22,776</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.23	Cash flow	At 31.3.24
	£	£	£
<b>Net cash</b>			
Cash at bank	<u>446,880</u>	<u>77,750</u>	<u>524,630</u>
	<u>446,880</u>	<u>77,750</u>	<u>524,630</u>
<b>Total</b>	<u>446,880</u>	<u>77,750</u>	<u>524,630</u>

Notes to the Financial Statements  
for the Year Ended 31 March 2024

**1. 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**

As stated in the financial review section of the annual report the Trustees are confident it will be able to meet its obligations as they fall due for a minimum period of at least 12 months from the date of signing. These financial statements are therefore produced on a going-concern basis.

**Income**

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 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 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 accrual 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.

**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.

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2023

**1. ACCOUNTING POLICIES - continued**

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 recognized in the Statement of Financial Activities.

**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.

**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.
- Restricted funds - these can only be used for 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.

**Operating lease commitments**

Rentals applicable to operating leases where substantially all 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.

**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.

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**2. DONATIONS AND LEGACIES**

	31.3.24	31.3.23
	£	£
Donations and fundraising	5,340	6,757
Grants	<u>27,139</u>	<u>52,414</u>
	<u>32,479</u>	<u>59,171</u>

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

	31.3.24	31.3.23
	£	£
Grants - Various	<u>27,139</u>	<u>52,414</u>

**3. OTHER TRADING ACTIVITIES**

	31.3.24	31.3.23
	£	£
Community lettings	32,966	29,212
Training Income	25	-
Misc Income	<u>5,216</u>	<u>236</u>
	<u>38,207</u>	<u>29,448</u>

**4. INVESTMENT INCOME**

	31.3.24	31.3.23
	£	£
Deposit account interest	<u>7,721</u>	<u>2,163</u>

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**5. INCOME FROM CHARITABLE ACTIVITIES**

	31.3.24 Charitable Activities £	31.3.23 Total activities £
Incoming Resources	<u>1,648,227</u>	<u>1,497,335</u>

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**5. INCOME FROM CHARITABLE ACTIVITIES - continued**

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
<b>Bath &amp; North East Somerset Council:</b>				
Disability Access Fund	21,405	-	21,405	9,501
BOP Specialist Contract	251,184	-	251,184	211,000
Social Services: ISF	79,526	-	79,526	137,279
	<u>352,115</u>	<u>-</u>	<u>352,115</u>	<u>357,780</u>
<b>Total Revenue Funding</b>				
<b>Nursery Fees &amp; Related Funding:</b>				
Early Years Entitlement	520,296	-	520,296	485,712
Nursery fees charged to parents	750,965	-	750,965	631,366
Early Years Pupil Premium	24,851	-	24,851	22,477
	<u>1,296,112</u>	<u>-</u>	<u>1,296,112</u>	<u>1,139,555</u>
<b>Total Income from charitable activities</b>	<u><b>1,648,227</b></u>	<u><b>-</b></u>	<u><b>1,648,227</b></u>	<u><b>1,497,335</b></u>
<b>2023 Comparatives</b>				
			31.3.23	31.3.22
			Charitable	Total
			activities	activities
			£	£
Incoming Resources			<u>1,497,335</u>	<u>1,262,125</u>
	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
<b>Bath &amp; North East Somerset Council:</b>				
Disability Access Fund	9,501	-	9,501	6,930
BOP Specialist Contract	211,000	-	211,000	201,667
Social Services: ISF	137,279	-	137,279	119,656
	<u>357,780</u>	<u>-</u>	<u>357,780</u>	<u>328,253</u>
<b>Total Revenue Funding</b>				
<b>Nursery Fees &amp; Related Funding:</b>				
Early Years Entitlement	485,712	-	485,712	430,601
Nursery fees charged to parents	631,366	-	631,366	480,994
Early Years Pupil Premium	22,477	-	22,477	22,277
	<u>1,139,555</u>	<u>-</u>	<u>1,139,555</u>	<u>933,872</u>
<b>Total Income from charitable activities</b>	<u><b>1,497,335</b></u>	<u><b>-</b></u>	<u><b>1,497,335</b></u>	<u><b>1,262,125</b></u>

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 7) £	Totals £
Charitable Activities	<u>1,842,147</u>	<u>16,847</u>	<u>1,858,994</u>

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

6. CHARITABLE ACTIVITIES COSTS - continued

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
<b>Direct Costs:</b>				
Employment costs	1,407,445	13,132	1,420,577	1,205,755
Catering costs	59,061	13,124	72,185	61,588
Staff costs (training costs, expenses etc.)	69,097	-	69,097	61,003
Special Projects: Direct Costs	51,455	-	51,455	6,878
Service costs	18,441	-	18,441	17,636
Bad debts - fees written off.	2,380	-	2,380	3,580
<b>Total Direct Costs</b>	<b>1,607,879</b>	<b>26,256</b>	<b>1,634,136</b>	<b>1,356,441</b>
<b>Overheads:</b>				
Premises costs	112,181	5,743	117,924	92,214
Administrative costs	13,144	1,421	14,565	14,440
Information Technology costs	36,497	-	36,497	31,363
Depreciation charges	39,026	-	39,026	35,980
Support costs (See note 7)	16,847	-	16,847	11,430
<b>Total Overhead Costs</b>	<b>178,669</b>	<b>7,164</b>	<b>224,859</b>	<b>185,427</b>
<b>Total Costs of Charitable activities</b>	<b>1,825,574</b>	<b>33,420</b>	<b>1,858,994</b>	<b>1,541,868</b>
<b>2023 Comparatives</b>				
		Direct Costs £	Support costs (see note 7 £	Total £
Charitable Activities		1,530,438	11,430	1,541,868
	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
<b>Direct Costs:</b>				
Employment costs	1,205,755	-	1,205,755	1,075,416
Catering costs	61,588	-	61,588	57,840
Staff costs (training costs, expenses etc.)	19,767	41,236	61,003	45,243
Special Projects: Direct Costs	6,878	-	6,878	8,465
Service costs	17,636	-	17,636	8,306
Bad debts - fees written off.	3,580	-	3,580	9,708
<b>Total Direct Costs</b>	<b>1,315,205</b>	<b>41,236</b>	<b>1,356,441</b>	<b>1,204,978</b>

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**6. CHARITABLE ACTIVITIES COSTS - continued**

**Overheads:**

Premises costs	92,214	-	92,214	70,200
Administrative costs	14,440	-	14,440	15,762
Information Technology costs	31,363	-	31,363	34,606
Depreciation charges	35,980	-	35,980	35,779
Support costs (See note 7)	11,430	-	11,430	9,293

**Total Overhead Costs** **185,427** - **185,427** **165,640**

**Total Costs of Charitable activities** **1,500,632** **41,236** **1,541,868** **1,370,618**

**7. SUPPORT COSTS**

	Finance	Governance costs	Totals
	£	£	£
Charitable Activities	<u>4,648</u>	<u>12,199</u>	<u>16,847</u>

**2023 Comparative**

	Finance	Governance costs	Totals
	£	£	£
Charitable Activities	<u>3,894</u>	<u>7,536</u>	<u>11,430</u>

**8. NET INCOME/(EXPENDITURE)**

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

	31.3.24	31.3.23
	£	£
Auditors' remuneration	6,500	6,200
Non Audit Services	1,375	1,300
Depreciation - owned assets	39,026	35,980
Other operating leases	<u>3,088</u>	<u>6,412</u>

## First Steps (Bath)

### Notes to the Financial Statements - continued for the Year Ended 31 March 2024

#### **9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustee's remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

No remuneration or expenses were paid during the year to any of the trustees (2023: £Nil). During the year four Trustees had children in First Steps nurseries, they paid the full rate for all services used and so received no benefit as a result of their role as Trustees.

#### **Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

#### **10. STAFF COSTS**

	31.3.24	31.3.23
	£	£
Wages and salaries	1,290,193	1,094,399
Social security costs	76,985	64,697
Other pension costs	<u>53,398</u>	<u>46,660</u>
	<u><u>1,420,576</u></u>	<u><u>1,205,756</u></u>

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

	31.3.24	31.3.23
Delivery of Children's & Family Services	49	46
Management and Administration	<u>4</u>	<u>5</u>
	<u><u>53</u></u>	<u><u>51</u></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, a Children's Services Manager for Twerton and a Children's Services manager for Moorlands and a Children's Services Manager for BOP. The total employee benefits of the key management personnel of the Trust were £213,709 (2023:£229,648).

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Designated Fixed Asset Reserve Fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	6,757	-	52,414	59,171
<b>Charitable activities</b>				
Charitable Activities	1,497,335	-	-	1,497,335
Other trading activities	29,448	-	-	29,448
Investment income	<u>2,163</u>	<u>-</u>	<u>-</u>	<u>2,163</u>
<b>Total</b>	<u>1,535,703</u>	<u>-</u>	<u>52,414</u>	<u>1,588,117</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Charitable Activities	<u>1,464,652</u>	<u>35,980</u>	<u>41,236</u>	<u>1,541,868</u>
<b>NET INCOME/(EXPENDITURE)</b>				
Transfers between funds	<u>71,051</u> <u>(13,504)</u>	<u>(35,980)</u> <u>12,156</u>	<u>11,178</u> <u>1,348</u>	<u>46,249</u> <u>-</u>
<b>Net movement in funds</b>	57,547	(23,824)	12,526	46,249
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	<u>342,738</u>	<u>1,385,874</u>	<u>95,256</u>	<u>1,823,868</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>400,285</u>	<u>1,362,050</u>	<u>107,782</u>	<u>1,870,117</u>

## First Steps (Bath)

### Notes to the Financial Statements - continued for the Year Ended 31 March 2024

#### 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.

#### 13. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2023	1,721,954	126,217	12,841	1,861,012
Additions	-	10,804	-	10,804
At 31 March 2024	<u>1,721,954</u>	<u>137,021</u>	<u>12,841</u>	<u>1,871,816</u>
<b>DEPRECIATION</b>				
At 1 April 2023	375,804	112,253	10,905	498,962
Charge for year	14,600	23,782	644	39,026
At 31 March 2024	<u>390,404</u>	<u>136,035</u>	<u>11,549</u>	<u>537,988</u>
<b>NET BOOK VALUE</b>				
At 31 March 2024	<u>1,331,550</u>	<u>986</u>	<u>1,292</u>	<u>1,333,828</u>
At 31 March 2023	<u>1,346,150</u>	<u>13,964</u>	<u>1,936</u>	<u>1,362,050</u>

#### 14. STOCKS

	31.3.24 £	31.3.23 £
Stocks	<u>743</u>	<u>939</u>

#### 15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade debtors	18,754	118,528
Prepayments and accrued income	<u>11,407</u>	<u>10,969</u>
	<u>30,161</u>	<u>129,497</u>

#### 16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade creditors	5,790	4,724
Social security and other taxes	28,011	20,033
Other creditors	<u>117,804</u>	<u>44,492</u>
	<u>151,605</u>	<u>69,249</u>

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

<b>Deferred Income</b>	£
Bal B/f	-
Fee income deferred	<u>20,827</u>
	<u>20,827</u>

At the balance sheet date, the charity held funds received from parents for nursery fees invoiced in advance.

**17. LEASING AGREEMENTS**

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

	31.3.24	31.3.23
	£	£
Within one year	1,620	1,187
Between one and five years	<u>3,420</u>	<u>2,362</u>
	<u>5,040</u>	<u>3,549</u>

**18. MOVEMENT IN FUNDS**

	At 1.4.23	Net	Transfers	At
	£	movement	between	31.3.24
		in funds	funds	£
		£	£	
<b>Unrestricted funds</b>				
General fund	400,285	(87,053)	(10,804)	302,428
Designated Fixed Asset Reserve	<u>1,362,050</u>	<u>(39,026)</u>	<u>10,804</u>	<u>1,333,828</u>
	1,762,335	(126,079)	-	1,636,256
<b>Restricted funds</b>				
Subsidised Meals	5,460	(5,460)	-	-
Quartet Foundation	371	-	-	371
Children with SEN	95,585	(316)	-	95,269
Partnership With Parents	518	(239)	-	279
Xmas toys/books	529	-	-	529
St Johns Language for Life	1,394	(1,394)	-	-
Stay and Play	3,421	1,128	-	4,549
Replacing Boiler Heating system	<u>504</u>	<u>-</u>	<u>-</u>	<u>504</u>
	<u>107,782</u>	<u>(6,281)</u>	<u>-</u>	<u>101,501</u>
<b>TOTAL FUNDS</b>	<u>1,870,117</u>	<u>(132,360)</u>	<u>-</u>	<u>1,737,757</u>

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**18. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,699,495	(1,786,548)	(87,053)
Designated Fixed Asset Reserve	-	(39,026)	(39,026)
	<u>1,699,495</u>	<u>(1,825,574)</u>	<u>(126,079)</u>
<b>Restricted funds</b>			
Subsidised Meals	7,571	(13,031)	(5,460)
Children with SEN	9,295	(9,611)	(316)
Partnership With Parents	-	(239)	(239)
Panto/Sensory play	400	(400)	-
St Johns Language for Life Stay and Play	2,660	(4,054)	(1,394)
	<u>6,213</u>	<u>(5,085)</u>	<u>1,128</u>
BHM - running high	<u>1,000</u>	<u>(1,000)</u>	<u>-</u>
	<u>27,139</u>	<u>(33,420)</u>	<u>(6,281)</u>
<b>TOTAL FUNDS</b>	<u>1,726,634</u>	<u>(1,858,994)</u>	<u>(132,360)</u>

**General Fund**

The free reserves after allowing for all designated funds

**Designated Fixed Asset Reserve fund**

Includes tangible fixed assets, property, fixtures and fittings, computer equipment and depreciation.

**Restricted Funds**

Children with SEN (previously named BOP fund) – to support SEN children to attend nursery through the provision of extra staff, specific SEN training or resources to meet the child's needs.

Norlands Stay and Play – to provide weekly family support sessions for children with SEN needs.

First Steps (Bath)

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2024

**18. MOVEMENT IN FUNDS - continued**

**Comparative 2023 movement in funds**

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
<b>Unrestricted funds</b>				
General fund	342,738	71,051	(13,504)	400,285
Designated Fixed Asset Reserve	<u>1,385,874</u>	<u>(35,980)</u>	<u>12,156</u>	<u>1,362,050</u>
	1,728,612	35,071	(1,348)	1,762,335
<b>Restricted funds</b>				
Subsidised Meals	-	5,460	-	5,460
Quartet Foundation	467	(96)	-	371
Children with SEN	87,081	8,504	-	95,585
Partnership With Parents	518	-	-	518
Moorlands Decoration	141	(141)	-	-
Xmas toys/books	-	529	-	529
Panto/Sensory Play	-	(3)	3	-
St Johns Language for Life	1,328	66	-	1,394
Consortium order Moorlands				
	1,800	-	-	1,800
Replacing Boiler Heating system	3,421	(1,296)	-	2,125
Stay and Play	-	(1,345)	1,345	-
Waitrose Childhood Nature	<u>500</u>	<u>(500)</u>	<u>-</u>	<u>-</u>
	<u>95,256</u>	<u>11,178</u>	<u>1,348</u>	<u>107,782</u>
<b>TOTAL FUNDS</b>	<u>1,823,868</u>	<u>46,249</u>	<u>-</u>	<u>1,870,117</u>

## First Steps (Bath)

### Notes to the Financial Statements - continued for the Year Ended 31 March 2024

#### **18. MOVEMENT IN FUNDS - continued**

Comparative 2023 net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,535,703	(1,464,652)	71,051
Designated Fixed Asset Reserve	-	(35,980)	(35,980)
	<u>1,535,703</u>	<u>(1,500,632)</u>	<u>35,071</u>
<b>Restricted funds</b>			
Trips & Events	2,500	(2,500)	-
Subsidised Meals	19,794	(14,334)	5,460
Quartet Foundation	2,181	(2,277)	(96)
Children with SEN	18,500	(9,996)	8,504
Moorlands Decoration	-	(141)	(141)
Xmas toys/books	589	(60)	529
Panto/Sensory Play	400	(403)	(3)
St Johns Language for Life	2,720	(2,654)	66
Replacing Boiler Heating system	-	(1,296)	(1,296)
Stay and Play	5,730	(7,075)	(1,345)
Waitrose Childhood Nature	-	(500)	(500)
	<u>52,414</u>	<u>(41,236)</u>	<u>11,178</u>
<b>TOTAL FUNDS</b>	<u>1,588,117</u>	<u>(1,541,868)</u>	<u>46,249</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 £53,398 (2023:£46,660). Year ended contributions outstanding amounted to £Nil (2023:£Nil).

#### **20. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES.**

At 31 March 2024 there were no capital commitments or contingent liabilities (2023 - None).

#### **21. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2024.

First Steps (Bath)

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2024

	31.3.24	31.3.23
	£	£
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations and fundraising	5,340	6,757
Grants	<u>27,139</u>	<u>52,414</u>
	32,479	59,171
<b>Other trading activities</b>		
Community lettings	32,966	29,212
Training Income	25	-
Misc Income	<u>5,216</u>	<u>236</u>
	38,207	29,448
<b>Investment income</b>		
Deposit account interest	7,721	2,163
<b>Charitable activities</b>		
Incoming Resources	<u>1,648,227</u>	<u>1,497,335</u>
<b>Total incoming resources</b>	<b>1,726,634</b>	<b>1,588,117</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	1,290,193	1,094,399
Social security	76,985	64,697
Pensions	53,398	46,660
Other operating leases	3,088	6,412
Rates and water	9,533	8,525
Insurance	9,428	8,205
Light and heat	12,463	14,286
Other Staff Costs	25,383	14,184
Service Costs	80,282	81,721
Catering Costs	72,186	61,588
Information Technology Costs	36,496	31,363
Administrative Costs	14,536	14,440
Special projects	51,455	6,878
Repairs and renewals	65,315	37,520
Carried forward	1,800,741	1,490,878

First Steps (Bath)

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2024

	31.3.24	31.3.23
	£	£
<b>Charitable activities</b>		
Brought forward	1,800,741	1,490,878
Bad debts - Fees written off	2,380	3,580
Improvements to property	<u>39,026</u>	<u>35,980</u>
	1,842,147	1,530,438
<b>Support costs</b>		
<b>Finance</b>		
Bank charges	4,648	3,894
<b>Governance costs</b>		
Auditors' remuneration	6,500	6,200
Auditors' remuneration for non audit work	1,375	1,300
Accountancy and legal fees	<u>4,324</u>	<u>36</u>
	<u>12,199</u>	<u>7,536</u>
Total resources expended	<u>1,858,994</u>	<u>1,541,868</u>
<b>Net (expenditure)/income</b>	<u>(132,360)</u>	<u>46,249</u>