

Charity Number: NIC 106073
Company Number: NI 055960

NEWHILL FIRST STEPS CHILDCARE
CENTRE LTD
(A company Limited by Guarantee)
TRUSTEES' REPORT
(INCLUDING DIRECTORS' REPORT)
AND FINANCIAL STATEMENTS
YEAR ENDED
31 MARCH 2023

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

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NEWHILL FIRST STEPS CHILDCARE CENTRE LTD

COMPANY INFORMATION

Company registration number	N.I. 055960
Charity registration number	NIC 106073
Directors and trustees	Cathy Fitzsimons John McGeown Denise Rooney (Resigned 5 June 2023) Mary Ann McIlwee (Appointed 5 June 2023)
Secretary	Donal McKinney
Registered office	265 Old Whiterock Road Belfast BT12 7FX
Auditors	Jones Peters Registered Auditors Chartered Accountants 6 Church Street Banbridge BT32 4AA
Bankers	AIB 26 University Road Belfast BT7 1NH
Solicitors	Edwards & Co. Solicitors 28 Hill Street Belfast BT1 2LA

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Report of the Trustees for the year ending 31 March 2023

The trustees are pleased to present their annual trustees' report together with the financial statements of the charitable company for the year ending 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with current statutory requirements including the Charities Act (Northern Ireland) 2008 amended by the Charities Act (Northern Ireland) 2013, Companies Act 2006, the Charity's Memorandum and Articles of Association, 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).

Principal Activity

First Step's objective is to encourage the provision of services, training, recreation and other leisure time occupation for children aged 0-8 years within N. Ireland. Those who require such services by reason of their youth, poverty, disablement or social and economic circumstances and which will improve the conditions of the young peoples lives by providing for their mental and spiritual wellbeing.

Statement of Public Benefit

The charity's purpose is to:

- advance the education, development, physical and emotional wellbeing of children.
- to relieve those in need by reason of their youth, providing facilities for leisure-time occupation, so that their conditions of life may be improved.

To relieve and prevent poverty

The charity does this by providing affordable daycare to pre-school children within the Upper Springfield / Whiterock area of West Belfast, an area of high multiple deprivation. The charity provides high quality facilities which educate and enhances the development of local children and which enables their parents and carers, including those on low incomes, lone parents and school aged mums, to hold down employment, continue their education or attend training. The direct benefits which flow from these purposes are the improvement to the education and employability of persons within the local area.

These benefits are evidenced by attendance registers, feedback from parents and carers, inspections by social services and monitoring and evaluations, surveys, the charity's annual accounts and trustees' report.

The charity employs staff to run its daycare centre for pre-school children but their employment is incidental and entirely necessary to the provision of a high quality daycare facility for pre-school children which meets statutory requirements.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Achievements and Performance

Service Provision

In the year covered by this report the centre continued to have an ongoing, positive impact in a wide range of areas which met all our charitable purposes.

Childcare

First Steps core function is the provision of quality early years provision through a social economy model. This sustainable delivery model compliments the Department of Education's vision: 'every young person achieving to his or her full potential at each stage of his or her development.'

There is an extensive body of research pointing to the role early education can play in promoting children's development. Two points emerge consistently from the evidence. Firstly, children at greater risk of starting school at a disadvantage have most to gain from early education, meaning even universal provision can help to narrow gaps in child development. Research has found larger benefits for children whose parents have less education, children from families with lower incomes, and children for whom English is an additional language.

The skills and abilities developed in the early years provide the platform for later learning, while early deficits can have lasting consequences for later inequality and social mobility. We also know that early interventions can have large and lasting effects on children's development.

As noted, the project's catchment area is in some of NI's poorest areas which means people experience social, educational and health deprivation from their earliest days. Educational disadvantage is a complex and deeply-rooted issue. However, an educational disadvantage means the denial of equal access to educational opportunities, the tendency to leave education at the first opportunity, and the hindrance of achievement by social and environmental factors. A social disadvantage both limits access to educational opportunities and reduces the ability of children to benefit from the schooling they do get.

Children growing up in poverty and disadvantaged in our designated SOAs are less likely to do well at school. This feeds into disadvantages in later life and in turn affects their children. To break this cycle we need to address the attitudes and experiences that lie behind social differences in education and that must start at the earliest stage.

The quality of early education and care matters, not only because it affects the everyday experiences of our children but because the benefits are only realised if the provision used is high quality. Our different early years specialities support quality learning by providing activities and materials that children find engaging. By facilitating learning, supplying a developmentally appropriate environment, interesting materials, adequate time to explore, play and interact; children find learning easy and fun.

After School Project

Our community based after school project provides an accessible and affordable service, meeting the needs of children, and the needs of the local community. School activities do wonders for a child's development. They are linked to improving social skills, grades, overall coordination, sense-of-self and relationships with adults other than their parents or guardians.

After school programmes and activities also give kids a chance to be themselves, free of the structure they face at school.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

The projects offer different support:

1. Our children and young people are cared for in a safe and secure play and recreational environment – providing children with the safe space that they need while allowing parents some time for work or other activities.
2. Mixed environments where children and young people can play, do homework and are supported in all activities. This approach regards after school care not just as a safe haven, but also as providing developmental support for our children and their families. Social, sporting and cultural activities are part of the daily activities.

Impact: Outputs and Outcomes

First Steps provides a wide range of services that enables community development to flourish through our own work and with our community partners.

Day Care	68 daycare placements
First Steps Childcare Registration	72 childcare places
BHSCT sponsored day care	1,045 places
Summer Scheme	24 places

Structure, Governance and Management

Governing Document

First Steps is a company registered in N. Ireland, which was incorporated under the Companies (Northern Ireland) Order 1986 on 21 July 2005. The company is governed by a Memorandum and Articles of Association. The company's objectives are charitable in nature and it has established charitable status. The company's business is managed by the directors/trustees who are considered to be the members of the company.

Trustees' Appointment and Training

The trustees recruit and select new trustees as set out in the governing document. The Board recruits new trustees with regards to skills' gaps and the new members' potential to make a real contribution to the charity's overall governance.

The Board predicate trustees' appointments on our organisational values and make new members aware of their legal responsibilities under charity and company law. Our Members' induction pack outlines our Articles of Association, board structure, organisational structure, decision making processes, and our overview of finances. Our formal induction provides new board members with the information and training they need to take up their appointment as effectively as possible.

Finance, Pay and Remuneration

First Steps operates robust financial procedures which the Board regularly review and independently assess. We have clear financial management systems to ensure effective and appropriate use of spend; administering resources cost-effectively, transparently and accountably with clear audit trails.

All Board members give their time freely and no member received any remuneration during the year.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Organisational structure

The Board administers the charity and normally meets at least 11 times per year. As part of its structure the Board operates three sub committees: finance, audit and risk; human resources, and remuneration. The Board appoint a chief executive to manage the charity's day to day operations. To ensure effective daily management the manager has delegated authority within terms of delegation through the Board's approval for operational matters including finance, employment and direct charitable activities.

Risk Management

Our approach to the management of risk is informed by the need to ensure that the risks inherent in the pursuit of our objectives are understood, will be manageable if realised, and that appropriate mitigation measures are planned or in place. Responsibility for the management of specific risks is carried by named individuals and groups, but the highest level risks, those that have a direct bearing on the Newhill First Steps Childcare Centre Ltd capacity to achieve its strategic objectives, are managed by the senior management team. The Newhill First Steps Childcare Centre Ltd finance and audit risk committee plays an active role in risk monitoring and have a risk management strategy that comprises:

- An annual review of the principal risk and uncertainties that the charity takes;
- The establishment of policies, systems and procedures to anticipate risks in the annual review; and
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those issues materialise.

Reputational Risks: The Trustees are conscious of the importance of its reputation as a well run organisation delivering public benefit and have undertaken steps to ensure Newhill First Steps Childcare Centre Ltd governance and management structures are robust and give confidence to all stakeholders and operate in line with our values.

Financial Risks: The organisation exposes itself to a variety of financial risks. Measures to mitigate this risk include strong budgetary management and cost control and proactive negotiations with tenants and key stakeholders.

Health and Safety Risks: The Trustees recognise the importance of safety in all of our services. Newhill First Steps Childcare Centre Ltd implements robust systems and structures to ensure all health and safety regulations are complied with.

Legal and Regulatory Risks: The charity is required to comply with a wider range of legal and regulatory obligations. Policies and procedures are in place to ensure compliance with these obligations, however, there inevitably remains a residual risk of an operational failure resulting in a breach of these obligations.

Insurable Risks: The organisation incurs exposure to employer, public and property damage liability by virtue of the nature of its operations. While a strong emphasis is placed on health and safety and risk management practices to avoid liability arising, insurance cover is maintained to mitigate the financial impact from such events.

Performance Risks: There is a risk that the high quality of our services may not be maintained and we perform below the expectations of our funders as set out in their service level agreements. The trustees monitor performance on an ongoing basis and have implemented annual service audit programmes as well as staff and service user surveys to provide them with assurance in this regard.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

Financial Review and Results for the Year

Financial Review

Incoming resources have decreased from £426,348 in the year ended 31 March 2022 to £423,134 in the year ended 31 March 2023. Resources expended on charitable activities have increased from £411,539 to £453,095 in the year ended 31 March 2023. As a result, net outgoing resources amounted to £29,961 for the year ended 31 March 2023 compared to net incoming resources in 2022 of £14,809. The results for the year are set out in Statement of Financial Activities on page 15 and in the related notes.

The company had net assets of £564,965 as at 31 March 2023 (2022: £594,926) as detailed on the Statement of Financial Position on page 16.

Reserves Policy and Going Concern

At 31 March 2023 free reserves amounted to £80,805 of which all £70,000 has been designated to cover costs including expenditure on upcoming programmes and redundancy payments. The trustees have considered future financial projections and future funding requirements and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and for this reason they continue to adopt the going concern bases in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Events after the Balance Sheet Date

There were no significant events affecting the company after the year end.

Plans for the Future

The company aims to advance discussions with other local childcare care providers with regards to mergers and rationalisation of services.

Trustees' Responsibility Statement

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

Company law requires the 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 the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

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

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
TRUSTEES' ANNUAL REPORT (INCLUDING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

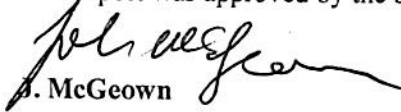
- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been reappointed in accordance with Section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

This report was approved by the board on 18 December 2023 and signed on its behalf by:


J. McGeown
Trustee

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Newhill First Steps Childcare Centre Ltd (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees' report and from the requirement to prepare a strategic report.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2023

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud.

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

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2023

- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditor's Report.

We also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 MARCH 2023

Use of our report

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Hughes House
6/7 Church Street
Banbridge
BT32 4AA
18 December 2023**


**Paul Cummings (Senior Statutory Auditor)
For and on behalf of Jones Peters
Chartered Accountants and
Statutory Auditors**

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

Income	Note	Unrestricted Funds £	Restricted Funds £	31 March 2023 £	31 March 2022 £
<i>Income from charitable activities:</i>					
Grants and contracts	3a	22,032	29,578	51,610	82,118
Activities for generating funds	3b	371,524	-	371,524	232,338
Other income	3c	-	-	-	<u>111,892</u>
Total income		<u>393,556</u>	<u>29,578</u>	<u>423,134</u>	<u>426,348</u>
Expenditure					
Expenditure on charitable activities	4	<u>415,793</u>	<u>37,302</u>	<u>453,095</u>	<u>411,539</u>
Total expenditure		<u>415,793</u>	<u>37,302</u>	<u>453,095</u>	<u>411,539</u>
Net income/(expenditure) and net movement in funds for the year	6	(22,237)	(7,724)	(29,961)	14,809
Reconciliation of funds					
Total funds brought forward		<u>587,202</u>	<u>7,724</u>	<u>594,926</u>	<u>580,117</u>
Total funds carried forward		<u>564,965</u>	-	<u>564,965</u>	<u>594,926</u>

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

The notes on pages 17 to 23 form an integral part of these financial statements.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	31/03/2023		31/03/2022	
		£	£	£	£
Fixed assets	9		484,160		495,515
Current assets					
Debtors	10	21,733		6,337	
Cash at bank and in hand		<u>85,599</u>		<u>129,717</u>	
		107,332		136,054	
Creditors :					
Amounts falling due within one year	11	<u>(17,462)</u>		<u>(16,434)</u>	
Net current assets/(liabilities)			89,870		119,620
Creditors:					
Amounts falling due after more than one year	12		<u>(9,065)</u>		<u>(20,209)</u>
Net assets			<u>£564,965</u>		<u>£594,926</u>
The funds of the charity:					
Unrestricted funds	14		564,965		587,202
Restricted funds	14		-		<u>7,724</u>
Total charity funds			<u>£564,965</u>		<u>£594,926</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board of trustees on 18 December 2023 and signed on its behalf by:-


C. Fitzsimons – Trustee


J. McGeown – Trustee

Registration Number: NI055960

The notes on pages 17 to 23 form an integral part of these financial statements.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

1.2 Going concern

The charity had free reserves of £80,805 and net assets of £564,965 at the year end.

The Trustees have considered the potential financial effects from the changing economic environment for the upcoming 12 months, including the potential impact on ongoing funding and are taking mitigating actions. They have considered financial projections for the period to 31 December 2024 and have a reasonable expectation that the charity has adequate resources to ensure that the charity will continue to operate.

The trustees believe that there are no material uncertainties about the ability of the charity to continue in operational existence and the financial statements have been prepared on a going concern basis.

1.3 Public benefit entity

Newhill First Steps Childcare Centre Ltd meets the definition of a public benefit entity under FRS 102.

1.4 Incoming resources

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. A corresponding amount is then recognised in expenditure in the period of receipt.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

1.6 Fund accounting

- (i) Unrestricted funds - the unrestricted fund is under the control of the Trustees, to be used in the furtherance of the general objectives of the company.
- (ii) Restricted funds - the restricted funds represent income/grants received where the donor has imposed restrictions on the use of the funds which are legally binding on the Trustees. The cost of raising and administering such funds are charged against the specific fund.

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment. Cost includes cost directly attributable to making asset capable of operating as intended.

1.8 Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset on a straight line basis over its expected useful life as follows:

Long Leasehold property	-	2% Straight line
Fixtures & fittings	-	20% Straight line

1.9 Financial instruments

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

1.10 Defined contribution pension schemes

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

2. LEGAL STATUS OF THE CHARITY

Newhill First Steps Childcare Centre Ltd is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member. With effect from 4 June 2020 Upper Springfield Development Trust Ltd became the sole member of the company.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

3. INCOME	Unrestricted Funds £	Restricted Funds £	31/03/2023 Total Funds £	31/03/2022 Total Funds £
3a. Income from grants and contracts				
Early Years Pathway Fund	-	29,578	29,578	29,578
Belfast Health & Social Care Trust	20,032	-	20,032	17,927
West Belfast Partnership Board	2,000	-	2,000	1,000
Belfast Met	-	-	-	5,626
Education Authority	-	-	-	12,211
Big Lottery	-	-	-	9,988
HSBC	-	-	-	2,500
Belfast City Council	-	-	-	3,288
	<u>£22,032</u>	<u>£29,578</u>	<u>£51,610</u>	<u>£82,118</u>

Income from grants and contracts was £51,610 (2022: £82,118) of which £29,578 was restricted (2022: £55,354) and £22,032 was unrestricted (2022: £26,764).

3b. Income from generating funds	Unrestricted Funds £	Restricted Funds £	31/03/2023 Total Funds £	31/03/2022 Total Funds £
Generated funds	<u>371,524</u>	<u>-</u>	<u>371,524</u>	<u>232,338</u>
	<u>£371,524</u>	<u>£-</u>	<u>£371,524</u>	<u>£232,338</u>

Income from generated funds was £371,524 (2022: £232,338) all of which was unrestricted.

3c. Other income	Unrestricted Funds £	Restricted Funds £	31/03/2023 Total Funds £	31/03/2022 Total Funds £
Coronavirus Job Retention Scheme	-	-	-	1,002
Community Recovery Support Fund	-	-	-	50,000
Covid-19 Grant	-	-	-	26,890
Early Years Covid Relief Support Fund	-	-	-	34,000
Insurance Claim	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,000</u>
	<u>£-</u>	<u>£-</u>	<u>£-</u>	<u>£111,892</u>

There was no other income during the year. In 2022 other income was £111,892 of which £11,309 was restricted and £100,583 was unrestricted.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

4. EXPENDITURE	Unrestricted Funds £	Restricted Funds £	31/03/2023 Total Funds £	31/03/2022 Total Funds £
Charitable activities				
Staff costs	302,685	29,578	332,263	278,669
Premises costs	43,566	7,724	51,290	57,564
Depreciation	11,355	-	11,355	11,115
Other operating costs	3,078	-	3,078	2,032
Programme Delivery	49,873	-	49,873	57,131
Governance costs (see note 5)	<u>5,236</u>	<u>-</u>	<u>5,236</u>	<u>5,028</u>
	<u>£415,793</u>	<u>£37,302</u>	<u>£453,095</u>	<u>£411,539</u>

Expenditure on charitable activities was £453,095 (2022: £411,539) of which £37,302 (2022: £58,939) was restricted and £415,793 (2022: £352,600) was unrestricted.

5. ANALYSIS OF GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	31/03/2023 Total Funds £	31/03/2022 Total Funds £
Accountancy/Audit/Consultancy	4,660	-	4,660	4,603
Legal and professional fees	<u>576</u>	<u>-</u>	<u>576</u>	<u>425</u>
	<u>£5,236</u>	<u>£ -</u>	<u>£5,236</u>	<u>£5,028</u>

6. NET INCOMING/OUTGOING SOURCES FOR THE YEAR	31/03/2023 £	31/03/2022 £
This is stated after charging:		
Depreciation	11,355	11,115
Auditors' remuneration	<u>3,000</u>	<u>2,500</u>

7. ANALYSIS OF STAFF COSTS AND TRUSTEE REMUNERATION

	31/03/2023 £	31/03/2022 £
Salaries and wages	318,645	268,017
Social security costs	<u>13,618</u>	<u>10,652</u>
	<u>£332,263</u>	<u>£278,669</u>

No employee had employee benefits in excess of £30,000 (2022: Nil).

During the year, no trustees received any remuneration (2022: Nil) or any Benefits in Kind (2022: Nil).

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

8. STAFF NUMBERS

The average number of full-time equivalent employees during the year were as follows:-

	31/03/2023	31/03/2022
Number of staff	<u>18</u>	<u>18</u>

9. TANGIBLE FIXED ASSETS

	Long Leasehold Property £	Fixtures, fittings & equipment £	Total £
At 1 April 2022	500,000	6,776	506,776
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2023	<u>500,000</u>	<u>6,776</u>	<u>506,776</u>
Depreciation			
At 1 April 2022	10,000	1,261	11,261
Charged during the year	<u>10,000</u>	<u>1,355</u>	<u>11,355</u>
At 31 March 2023	<u>20,000</u>	<u>2,616</u>	<u>22,616</u>
Net book value			
At 31 March 2023	<u>£480,000</u>	<u>£4,160</u>	<u>£484,160</u>
At 31 March 2022	<u>£490,000</u>	<u>£5,515</u>	<u>£495,515</u>

The bases by which depreciation is calculated are stated in note 1.8.

The long leasehold property is stated at fair value in accordance with Royal Institution of Chartered Surveyors (RICS) 'Red Book Global Standards'. The property was valued at 31 March 2022 by Osborne King, Commercial Property Consultants. The trustees are satisfied that the valuation of £500,000 is still appropriate at 31 March 2023.

10. DEBTORS

	31/03/2023 £	31/03/2022 £
Prepayments and Accrued income	<u>£21,733</u>	<u>£6,337</u>

11. CREDITORS: Amounts falling due within one year

	31/03/2023 £	31/03/2022 £
Loan – Community Finance Ireland	12,000	12,000
Accruals	4,368	3,500
Other Creditors	<u>1,094</u>	<u>934</u>
	<u>£17,462</u>	<u>£16,434</u>

12. CREDITORS: Amounts falling due after more than one year

	31/03/2023 £	31/03/2022 £
Loan – Community Finance Ireland	<u>9,065</u>	<u>20,209</u>
	<u>£9,065</u>	<u>£20,209</u>

The loan from Community Finance Ireland is secured by a first legal charge over the property at 265 Old Whiterock Road, Belfast.

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

13. FINANCIAL INSTRUMENTS

All financial instruments have been recorded at their transaction price. No other financial instruments exist other than those included in debtors and creditors.

14. ANALYSIS OF CHARITABLE FUNDS

	Balance at 1 April 2022 £	Incoming Resources £	Outgoing Resources £	Balance at 31 March 2023 £
Total Unrestricted Funds	587,202	393,556	415,793	564,965
Total Restricted Funds	<u>7,724</u>	<u>29,578</u>	<u>37,302</u>	<u>-</u>
Total Funds	<u>£594,926</u>	<u>£423,134</u>	<u>£453,095</u>	<u>£564,965</u>

	Balance at 1 January 2021 £	Incoming Resources £	Outgoing Resources £	Balance at 31 March 2022 £
Total Unrestricted Funds	580,117	359,685	352,600	587,202
Total Restricted Funds	<u>-</u>	<u>66,663</u>	<u>58,939</u>	<u>7,724</u>
Total Funds	<u>£580,117</u>	<u>£426,348</u>	<u>£411,539</u>	<u>£594,926</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Analysis of net assets	Unrestricted Funds £	Restricted Funds £	31 March 2023 Total £
Fixed assets	484,160	-	484,160
Net assets/(liabilities)	<u>80,805</u>	<u>-</u>	<u>80,805</u>
	<u>£564,965</u>	<u>£-</u>	<u>£564,965</u>

Analysis of net assets – previous year	Unrestricted Funds £	Restricted Funds £	31 March 2022 Total £
Fixed assets	495,515	-	495,515
Net assets/(liabilities)	<u>91,687</u>	<u>7,724</u>	<u>99,411</u>
	<u>£587,202</u>	<u>£7,724</u>	<u>£594,926</u>

NEWHILL FIRST STEPS CHILDCARE CENTRE LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. CORPORATION TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

17. CONTINGENT LIABILITY

A contingent liability exists to repay grants received should certain conditions not be fulfilled by the charitable company. In the opinion of the trustees the terms of the letters of offer have been, or will be, complied with and no liability is expected to occur.

18. RELATED PARTY TRANSACTIONS

Upper Springfield Development Trust Limited (USDT) is the sole member and is considered to be the parent company of Newhill First Steps Childcare Centre Ltd.

Management charges paid to USDT amounted to £5,200 (2022: £7,020).

