



# **TRUSTEES'**

# **ANNUAL FINANCE**

# **REPORT**

**First Steps Childcare Ltd**

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**2023-2024**



## **NEWHILL FIRST STEPS CHILDCARE CENTRE LTD**

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<b>Directors</b>	John McGeown Donal McKinney Cathy Fitzsimons Marie McIlwee	Chairperson Secretary Director Director
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<b>Auditors</b>	Jones Peters Registered Auditors Chartered Accountants 6 Church Street Banbridge BT32 4AA
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<b>Bankers</b>	First Trust Bank High Street Belfast BT1 2AL
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<b>Solicitors</b>	Johnston and Co 138 Donegall Street, Belfast BT1 2GY
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<b>Registered Office</b>	261 Whiterock Road, Belfast, BT12 7FX
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<b>Company Registration No:</b>	NI641494
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<b>Charity Registration No:</b>	105883
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## **PRINCIPAL ACTIVITY**

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First Step's objects is to encourage the provision of services and training and recreation and other leisure time occupation for children aged 0-8 years within N. Ireland, being facilities of which such persons have need; by reason of their youth, poverty, disablement or social and economic circumstances, and which will improve conditions of their life for such persons by promoting their physical mental and spiritual wellbeing.

## **STATEMENT OF PUBLIC BENEFIT**

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The charity's purpose is to:

- advance the education, and the development /physical & 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.

The Charity does this by providing accessible, affordable high-quality day-care to preschool children which improves their conditions of life, supporting their education, development, physical and mental wellbeing. The direct benefits which flow from these purposes are the advancement in education and key skills of the children attending the day-care centre, and the resultant enhancements to their development and understanding of the world around them.

### **To relieve and prevent poverty.**

The charity does this by providing accessible /affordable day-care to preschool 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 employment/ employability of persons within the local area.

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

The charity employs staff to run its day care centre for preschool children, but their employment is incidental and entirely necessary to the provision of a high-quality day-care facility for preschool children which meets/ excels statutory requirements.

## **ACHIEVEMENTS AND PERFORMANCE**

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### **Chair's Address**

#### **Childcare: An Essential Community Asset**

Childcare centres are more than just places where children are looked after; they are vital hubs for early childhood development, community cohesion, and economic growth. As Professor Cathy Nutbrown, a leading expert in early childhood education, asserts: 'High-quality early years education is essential for children's development and life chances.' This is particularly evident in areas of deprivation, where childcare centres can act as catalysts for positive change.

The foundation for a child's lifelong learning and development is laid in the early years. As neuroscientists have shown, the brain develops rapidly during this period, and stimulating experiences are crucial for optimal brain growth. Unfortunately, children from deprived areas often have limited access to such



experiences. Children from disadvantaged backgrounds are less likely to attend high-quality early years settings. This is where childcare centres can make a significant difference. By providing structured play, early literacy, and numeracy activities, they can help to bridge the gap in educational attainment.

Furthermore, childcare centres are essential for addressing social inequalities. Children from disadvantaged backgrounds may experience isolation and limited opportunities for social interaction. Social isolation can have a detrimental impact on children's emotional and social development. Childcare centres offer a safe and inclusive environment where children can develop essential social skills, build friendships, and learn to cooperate with others. This is crucial for preventing social isolation and building resilience.

Beyond their impact on children, childcare centres contribute significantly to the vitality of communities. By bringing together families from diverse backgrounds, they foster social cohesion and a sense of belonging. As stated by the OECD, strong social capital is essential for community well-being. Childcare centres can also serve as hubs for community activities and support services, strengthening local networks and enhancing residents' quality of life.

Moreover, childcare centres are important employers in local communities. The childcare sector has the potential to create jobs and boost the local economy. Investing in childcare is not just an investment in children; it is an investment in the future of our communities.

In conclusion, childcare centres are essential for the well-being of children and the vitality of communities, particularly in areas of deprivation. By providing high-quality early education, fostering social development, and supporting families, childcare centres can help to break the cycle of poverty and create a brighter future for all children. As the former Children's Commissioner for England, Anne Longfield, has stated, '...investing in early years is an investment in our future.'

Investing in local childcare is an investment in the future. By supporting such work, we build stronger, more equitable, and sustainable communities for everyone. Let us recognise and celebrate First Steps' invaluable contribution in helping to prepare our children's lives so that they thrive in their future years!

I am truly grateful for the passion and commitment demonstrated by the First Steps' board and staff in their work to create a brighter future for our children and families.

With thanks  
John McGeown (Chair)

## **CHILDCARE**

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First Steps' core function is the provision of quality early years provision through a social economy model. This sustainable delivery model complements the DE'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. First, 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, 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. 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 disadvantage in our designated SOAs are less likely to do well at school. This feeds into disadvantage 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, and adequate time to explore, play, and interact, children find learning easy and fun!

#### **AFTERSCHOOL'S PROJECT**

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Our community based after school project provide an accessible and affordable service, meeting the needs of children, and the needs of the local community, within that community. After-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.

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 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	<b>68 day-care placements secured on this reporting period</b>
First Steps Childcare Registration	72 childcare places
BHSCT sponsored day care	1045 places
Out of Schools Service Registration	0 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 11 September 1996. 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 board of directors who are the members of the company.

### TRUSTEES' APPOINTMENT AND TRAINING

The trustees recruit and select new trustees as set out in the governing document.<sup>1</sup> The Board recruit new trustees with regards to skills' gaps and the new members' potential to make a real contribution to the charity's overall governance.

We predicate trustees' appointments on our organisational values and make new members aware of their legal responsibilities under charity and company law. Members' induction pack outlines *our* Articles of Association, Board structure, organisational structure, decision making processes, finances *et al.* 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 we 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. Details of Board members' expenses are disclosed in the annual accounts.

### ORGANISATIONAL STRUCTURE

The Board administers the charity: meeting at least six 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 chief officer has delegated authority within terms of delegation through the

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<sup>1</sup> This is detailed in the Board Recruitment document



Board's approval for operational matters including finance, employment and direct charitable activities.

## **PLANS FOR THE FUTURE**

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The company aims to:

- To advance discussions with other local childcare care providers with regards mergers and rationalisation of services.

## **RISK MANAGEMENT**

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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 organisation's capacity to achieve its strategic objectives, are managed by the senior management team. First Step's finance and audit risk committee plays an active role in risk monitoring and considered progress reports during the year on work that will enhance and further embed risk management procedures across the whole organisation.

## **RESERVES' POLICY**

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As of 31 March 2023 free reserves amount to a surplus of XXXXXX. On an ongoing basis the directors will establish sufficient reserves to meet the company's normal working capital requirements

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the annual report, and the company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law the directors have prepared the Financial Statements in accordance with proper Financial Reporting Standards. The Company Financial Statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss for that period.

In preparing those Financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the Financial Statements comply with national standards with regard to the Company Financial Statements, that applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Company Financial Statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the company's financial position and to enable them to ensure that the group



financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the company's assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **AUDITORS**

Jones Peters are deemed to be reappointed in accordance with Section 487 (2) of the Companies Act 2006

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies,

This report was approved by the Board on **XXXXXXXXXX** and signed on its behalf by:

**JOHN MCGEOWN**

**CHAIR**



## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE UPPER SPRINGFIELD DEVELOPMENT TRUST LIMITED**

### **CORPORATE GOVERNANCE**

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First Steps is a charity and as a body in receipt of public funds places particular obligations upon it but the Board is in any case committed to upholding the highest standards of corporate governance

### **FINANCIAL STATEMENTS**

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Independent auditors' report to the First Steps Childcare Ltd

We have audited ....

### **CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR**

### **BALANCE SHEETS AS AT .....**

### **CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED**

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### **NOTES TO THE ACCOUNTS**

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