

Charity Registration No. 105433

Company Registration No. 03172572 (England and Wales)

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J D Fagan Mrs M E Weston Mr K Rigby Mrs N J Harris
Secretary	Ms J Stewart
Charity number	105433
Company number	03172572
Registered office	The Old Schoolhouse St John's Road Huyton Merseyside L36 0UX
Independent examiner	Jean Ellis BA FCA CTA DSG Castle Chambers Liverpool L2 9TL
Bankers	NatWest Bank Aintree Liverpool L9 0EG
Solicitors	MSB Solicitors MSB House 20-22 Tipton Way Wavertree Business Village Liverpool L13 1DA

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
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THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The Board of Trustees is satisfied with the performance of The First Step Ltd during the year and the position at 31st March 2021 and consider the agency is in a position to continue its activities during the coming year, and that The First Step assets are adequate to fulfil its obligations.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The First Step Vision: "To convert Knowsley's domestic violence & abuse challenges into real solutions by creating new ways of working to stop domestic violence & abuse".

The First Step Values

We at The First Step put survivors at the heart of everything we do and our key values are:

- **Non-judgemental**
We are accepting of all differences and choices
- **Empowerment**
We support survivors to make informed choices
- **Trust**
We build honest and open relationships in a safe space
- **High Quality Service**
We are always improving and embracing positive change

A summary of The First Step as set out in its governing document:

The objectives for which The First Step is established are set out in the Memorandum and Articles of Association as summarised below:

- To ensure comprehensive support and protection for people experiencing domestic abuse.
- Promote inter agency co-operation and training and awareness of others active in the field.
- Improve and expand the support and protection services available to sufferers of domestic abuse and where necessary promote the development of new services and facilities.
- Encourage initiatives aimed at the prevention of domestic abuse.
- Provide information about current services available through publicity, leaflets, posters, cards and directories.
- Monitor and evaluate the effectiveness of the service being provided in relation to the Equal Opportunities Policy.

An explanation of The First Step strategies for achieving its stated objectives

To achieve its objectives a range of services are offered to any resident of the Metropolitan Borough of Knowsley (and surrounding areas for some services), who is or has been in an abusive relationship. The First Step also acts as a resource to other organisations, agencies etc. whose clients have domestic abuse as a presenting or underlying issue.

The First Step provides direct service provision and interventions that break the cycle of domestic abuse to victims/survivors. The direct services are varied and include one to one support, group programmes and refuge provision. We raise awareness of domestic abuse amongst the local communities and organisations.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

Service User Overview – across the agency the charity worked with 1,080 people which includes agency referrals, self-referrals and people contacting for information/advice.

The majority of service users identified themselves as white British with 7.48% from other ethnic backgrounds. Ages ranged from pre-birth to 75 years with the majority coming from the 21 to 40 age range at 67.12%.

Our main areas of charitable work are enabling people to be safe and stay safe, to empower and to ensure awareness of the choices available. This is achieved through the work described below:

IDSVA – the IDSVA service (Independent Domestic & Sexual Violence Advocate) works with victim/survivors assessed as high risk and identified as most at risk from serious injury or murder. The role of the IDSVA service is to provide a pro-active and independent service at the point of crisis involving the professional provision of advice, information and support to victim/survivors of domestic abuse. The IDSVA service works within a multi agency setting towards clear and measurable outcomes in terms of improved safety and a reduction in repeat offences. During 2020/21 the IDSVA service received 530 referrals.

Ross House – is a purpose built 36 bed refuge offering safe, supportive accommodation to women and their children escaping domestic abuse. Support services offered at the refuge include dedicated children's service with an Ofsted approved crèche. Support for the women is offered both on site and in partnership with other agencies. In 2020/21 we received 353 referrals for refuge space but were only able to accommodate 49 women and 65 children.

The refuge continues to be staffed 24/7 which contributes greatly to women and children feeling safe when living in the refuge. Funding from Children In Need enables us to continue providing a specialist service to children and young people staying in refuge. Resettlement of women from refuge is part of all refuge workers roles and ensures women are supported with their identified housing needs from when they enter the refuge, this includes help with Housing Benefit applications together with support registering and using the Property Pool Plus website for anyone looking for affordable housing to rent in the Merseyside area. Women and children housed outside the Knowsley area are referred, with their consent, to support agencies local to the area in which they are moving.

First Step Project & Survivors to Thrivers project – works directly with people who self-refer, the service offers a range of options to people including face to face support, telephone support, home visits and a variety of groups. This service is often the first point of contact when victim/survivors are seeking support. Funded by the Henry Smith Charity and the Big Lottery Fund (BLF) the service provides initial assessment and support, then goes on to provide longer term support to victim/survivors who require it. Many of the people we work with on this project are often socially isolated and harder to reach due to the fact that many do not want any other service involvement. Beneficiaries of the agency were very involved in the development of this service and their input into what kept people engaged proved invaluable in informing the direction of the service. It was the people using our service who identified that they did not want to 'just survive' they wanted to thrive hence the name: 'Survivors to Thrivers'. The service is person centred, non-judgmental and works at the pace of the person accessing the service. During 2020/21 160 victim/survivors self-referred into the service.

First Step Centre – is our community-based centre providing a safe space for victim/survivors to access services, participate in groups and attend events held. Partner agencies provide outreach services including a counselling service which this year was delivered by phone as opposed to face to face. The range of groups and programmes facilitated this year included the Freedom programme and moving on groups which all switched to online ensuring people kept safe and well during the COVID 19 pandemic. The First Step centre is based within the Old Schoolhouse which houses other voluntary/community groups providing a hub of activities for the local community.

The contribution of volunteers – volunteers provide invaluable assistance to the work of The First Step, assisting in delivery of the different services we provide and in governance of the agency. The trustees are aware of the important contribution made by volunteers and would like to record their gratitude for the commitment and hard work they give. This year volunteers contributed 152 hours of their time which equates to £1,444.00 Hourly rate is based on the Real Living Wage of which we are an accredited member.

THE FIRST STEP LTD
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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

How our activities provide public benefit

The charity has referred to the Charity Commission's guidance on public benefit. The main activities and services have been described in this report including the number and range of people who have benefited from our work. All of the charitable activities focus on the prevention, support and empowerment of any member of the public residing in the area which First Step works whom has been affected by domestic abuse. All the work is undertaken to further the charitable purposes for the public benefit.

Financial review

Income for the year was £712,747 (2020: £606,904) and expenditure was £700,544 (2020: £600,660). This resulted in a surplus for the year of £12,203 (2020: £6,244).

Unrestricted reserves as at 31 March 2021 stood at £208,197 (2020: £195,994). The charity had no restricted reserves as at 31 March 2021 (2020: £nil).

Reserves policy

The trustees have given appropriate consideration to The First Step's requirement for reserves having regard to the principal risks to which the charity is exposed. The reserves policy has been reviewed, agreed and adopted and states that general funds, not committed to or invested in tangible fixed assets held by the charity, should equate to a minimum of 3 months' expenditure.

The reserves are needed to meet the working capital requirements and the trustees believe that at this level they would have sufficient resources to continue operating in the event of a significant loss of funding while seeking alternative sources.

Reserves of general and designated funds stand at £208,197. The objective remains to maintain a minimum of 3 months' reserves and to build on this figure when the opportunity arises.

Principal funding sources

Principal funding sources this year were by way of contract and grant agreements with Knowsley Metropolitan Borough Council together with grants from the Ministry of Housing Communities & Local Government, Ministry of Justice, Henry Smith Charity, Lloyds Bank Foundation, Children In Need and the Ten Percent Foundation. Housing Benefit is claimed for women when they are a resident within Ross House. As an agency we always seek to diversify our income streams, in these difficult fiscal times with constraints on public sector expenditure we continue to seek income from a variety of sources including charitable trusts.

Investment policy

Other than the modest amount retained as reserves, almost all the charity's income is intended to be spent within the year of receipt. In consequence, sourcing long term investment vehicles is not an issue for the Trustees. Funds surplus to immediate requirements are invested in deposit accounts. Current rates of return are highly unattractive, but the security of the funds is the primary concern of the Trustees.

Availability and adequacy of each of the funds

The board of trustees is satisfied that The First Step assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

THE FIRST STEP LTD
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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Risk management

The trustees confirm that the major risk to which the agency may be exposed is primarily a decrease in income including contracts, grants and/or donations. Systems have been established and are reviewed to mitigate these risks as far as is reasonably possible, this includes a Business Continuity Plan which identifies vulnerabilities and makes recommendations where appropriate to prevent extended disruption.

Internal control risks are minimised by ensuring the implementation of appropriate policies and procedures. The Trustees have appropriate procedures in place to ensure compliance with Health & Safety requirements which includes an annual review undertaken by an external third party professional.

Working in the field of domestic abuse can be demanding for staff therefore a 24/7 confidential Employee Assistance Programme has been commissioned from an external provider which staff can access at any time for both work related and personal concerns, this service includes up to six 1-1 counselling sessions. In addition, the charity provide monthly on-site face to face practice management from a qualified external provider – during this year due to the pandemic practice management was increased to fortnightly for staff who wanted to access it.

Plans for future periods

The First Step has 3 main objectives it will be working to achieve:

- Robust recruitment process for an agency Chief Executive Officer
- Review the strategic plan in conjunction with ensuring our values are embedded across the agency
- Ongoing funding opportunities remain a major focus of the work in the coming year.

Structure, governance and management

The First Step is a company limited by guarantee, incorporated 14th March 1996 and registered as a charity on 11th April 1996. The company was established under a Memorandum & Articles of Association which provide the objects and powers of the charitable company and is governed under its Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J D Fagan

Mrs L M Pearson

(Resigned 9 February 2021)

Mrs M E Weston

Mr K Rigby

Mrs N J Harris

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles are known as members of the charity. Under the requirements of the Memorandum and Articles of Association at each Annual General Meeting one third of trustees shall retire by rotation. The trustees to retire by rotation shall be those who have been longest serving in office since their last appointment or reappointment.

New Trustees are recruited in accordance with the governing document and by the existing trustees. Trustees appointed during the year must present themselves for re-appointment at the next general meeting.

The Trustees hold quarterly meetings to deal with the routine business, finance and governance of the agency, an annual financial meeting for budget setting and an annual general meeting. Day to day decisions are delegated to the Chief Executive Officer. Strategic developments are put before trustees for discussion, amendment and approval. Draft policies/procedures are circulated to the senior management team and then to trustees for comment and approval. Trustees are involved in annual planning days, development and implementation of the agencies strategic and operational plans.

THE FIRST STEP LTD
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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Trustee recruitment has been reviewed; the charity now have an approved process for all new trustees. Trustees are made aware of the training offered by various organisations based both locally and nationally. For example: Directory of Social Change (DSC), National Council for Voluntary Organisations (NCVO), Councils for Voluntary Services (CVS) and Civil Society.

In so far as it is complementary to the charity's objectives, the charity is guided by both local and national policy.

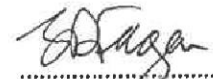
National - at a national level the Government via the Home Office produced it's Strategic Vision in the document "A Call to End Violence Against Women and Girls" launched on the 25th November 2010. A VAWG action plan is produced annually which reviews progress to date and lays out their actions for the coming period including the roll out of domestic violence protection orders and the domestic violence disclosure scheme (Clare's Law).

Local - Knowsley Metropolitan Borough Council will review and update its Domestic Abuse Strategy which will inform Knowsley's partnership response to domestic abuse across the borough.

The charity is aware that KMBC has established a commissioning framework through which they tender for services. The First Step worked hard to ensure it is in a position to participate in the tendering process by successfully being accepted on to three frameworks relevant to the services we provide.

Going forward we welcome the passing of the Domestic Abuse Bill in parliament and receiving Royal Assent on 29th April 2021. We now look forward to working with our partners on the implementation of the Bill..

The trustees' report was approved by the Board of Trustees.



.....
Mr J D Fagan

Trustee

Dated: 17/11/21

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of The First Step Ltd for the purpose 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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.

**THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE FIRST STEP LTD**

I report to the trustees on my examination of the financial statements of The First Step Ltd (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Jean Ellis BA FCA CTA
DSG

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Dated: 17 November 2021

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	4,670	-	4,670	2,909	-	2,909
Charitable activities	4	527,270	180,807	708,077	349,106	254,889	603,995
Total income		531,940	180,807	712,747	352,015	254,889	606,904
Expenditure on:							
Charitable activities	5	519,737	180,807	700,544	345,771	254,889	600,660
Net income for the year/ Net movement in funds		12,203	-	12,203	6,244	-	6,244
Fund balances at 1 April 2020		195,994	-	195,994	189,750	-	189,750
Fund balances at 31 March 2021		208,197	-	208,197	195,994	-	195,994

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	9	357		857	
Cash at bank and in hand		277,713		238,726	
		<u>278,070</u>		<u>239,583</u>	
Creditors: amounts falling due within one year	10	(69,873)		(43,589)	
Net current assets			<u>208,197</u>		<u>195,994</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	12	5,121		5,121	
General unrestricted funds		<u>203,076</u>		<u>190,873</u>	
			<u>208,197</u>		<u>195,994</u>
			<u>208,197</u>		<u>195,994</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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 by the Trustees on 9/11/21


 Mr J D Fagan
 Trustee

Company Registration No. 03172572

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	16		38,987		(2,569)
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			38,987		(2,569)
Cash and cash equivalents at beginning of year			238,726		241,295
Cash and cash equivalents at end of year			277,713		238,726

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The First Step Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is The Old Schoolhouse, St John's Road, Huyton, Merseyside, L36 0UX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Trustees have reviewed the immediate impact of the Coronavirus pandemic which has had an impact on fundraising streams and the costs of delivering services.

At the time of approving the accounts the Trustees consider that the charity has adequate reserves and diverse revenue streams to continue in operational existence for the foreseeable future taking account of economic uncertainties caused by the pandemic. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Expenditure

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

Governance costs relate to the governance of the charitable company and are primarily associated with constitutional, statutory and legal in nature.

All resources expended are classified under activity headings that aggregate all costs related to that category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies **(Continued)**

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Donations and gifts	4,670	2,909

THE FIRST STEP LTD
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	2021 £	2020 £
Performance related grants	350,545	424,627
Charitable rental income	357,532	179,368
	<u>708,077</u>	<u>603,995</u>
Analysis by fund		
Unrestricted funds	527,270	349,106
Restricted funds	180,807	254,889
	<u>708,077</u>	<u>603,995</u>
Performance related grants		
BBC Children in Need	36,457	36,186
Big Lottery Reaching Communities Fund	-	98,703
Lloyds Bank Foundation	25,000	25,000
Knowsley MBC - IDSVa	95,000	95,000
Knowsley MBC - Ross House	169,738	169,738
The Henry Smith Charity	24,350	-
	<u>350,545</u>	<u>424,627</u>

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

5 Charitable activities

	2021 £	2020 £
Staff costs	424,362	415,887
Building costs	72,227	73,330
Insurance	4,713	4,404
Office costs	29,714	27,912
Repairs and renewals	499	1,880
Cleaning	4,744	6,386
Service user costs	20,929	29,340
Miscellaneous expenses	3,015	2,427
Furniture and white goods	5,153	10,938
Bank charges	411	666
Professional fees	23,937	25,090
Exceptional Covid expenditure	108,440	-
	<u>698,144</u>	<u>598,260</u>
Share of governance costs (see note 6)	2,400	2,400
	<u>700,544</u>	<u>600,660</u>
Analysis by fund		
Unrestricted funds	519,737	345,771
Restricted funds	180,807	254,889
	<u>700,544</u>	<u>600,660</u>

6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Independent examination	-	2,400	2,400	-	2,400	2,400
	<u>-</u>	<u>2,400</u>	<u>2,400</u>	<u>-</u>	<u>2,400</u>	<u>2,400</u>
Analysed between Charitable activities	-	2,400	2,400	-	2,400	2,400
	<u>-</u>	<u>2,400</u>	<u>2,400</u>	<u>-</u>	<u>2,400</u>	<u>2,400</u>

Governance costs includes payments to the independent examiners of £2,400 (2019: £2,400) for independent examination fees.

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

During the year, the trustees received a total of £nil (2019: £nil) in expenses from the charity.

8 Employees

Number of employees

The average monthly number employees during the year was:

	2021	2020
	Number	Number
Management and administration	4	4
Projects, activities and sessions	13	13
	<u>17</u>	<u>17</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	374,013	376,447
Social security costs	30,873	21,154
Other pension costs	19,476	18,286
	<u>424,362</u>	<u>415,887</u>

There were no employees whose annual remuneration was £60,000 or more.

9 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	<u>357</u>	<u>857</u>

10 Creditors: amounts falling due within one year

	2021	2020
	£	£
Deferred income	34,350	34,350
Trade creditors	30,236	3,473
Other creditors	2,887	3,366
Accruals and deferred income	2,400	2,400
	<u>69,873</u>	<u>43,589</u>

**THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

11 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Movement in funds		
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £	Incoming resources £	Resources expended £
BBC Children in Need	-	36,186	(36,186)	-	36,457	(36,457)	-	-	-
Big Lottery Reaching Communities Fund	-	98,703	(98,703)	-	-	-	-	-	-
Knowsley MBC - IDSVA	-	95,000	(95,000)	-	95,000	(95,000)	-	-	-
The Henry Smith Charity	-	-	-	-	24,350	(24,350)	-	-	-
Lloyds Bank Foundation	-	25,000	(25,000)	-	25,000	(25,000)	-	-	-
	-	254,889	(254,889)	-	180,807	(180,807)	-	-	-

BBC Children in Need

A grant from BBC Children in Need to provide a Children & Young People's service within the refuge.

Knowsley MBC - IDSVA Fund

This fund supports the salary costs of specialist Independent Domestic & Sexual Violence Advocates.

The Henry Smith Charity

This fund provides the salary cost of the Senior Domestic Abuse Worker plus contribution to programme delivery costs.

Lloyds Bank Foundation

This fund contributes to the CEO salary costs.

**THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

12 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2019 £	Incoming resources £	Balance at 1 April 2020 £	Incoming resources £	Resources expended 31 March 2021 £
					Balance at 31 March 2021 £
Service user fund	5,121	-	5,121	-	-
					5,121
	5,121	-	5,121	-	-
					5,121

Service users fund

The trustees have identified £5,121 of funds that have been allocated to spend on supporting service users in future periods.

THE FIRST STEP LTD
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FOR THE YEAR ENDED 31 MARCH 2021

13 Members' liability

The company is limited by guarantee and, in the event of the winding up of the company, the liability of each member (including those members who have served during the previous twelve months) is limited to a contribution of £1 towards the cost of dissolution and the liabilities incurred by the charity while the contributor was a member.

14 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

15 Controlling party

The charity is controlled by its Board of Trustees.

16 Cash generated from operations	2021	2020
	£	£
Surplus for the year	12,203	6,244
Movements in working capital:		
Decrease/(increase) in debtors	500	(132)
Increase/(decrease) in creditors	26,284	(3,436)
(Decrease) in deferred income	-	(5,245)
Cash generated from/(absorbed by) operations	38,987	(2,569)