

Charity registration number 105433

Company registration number 03172572 (England and Wales)

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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

Trustees	Mr J D Fagan Mr K Rigby Mrs N J Harris Ms G D Fryer Ms M Livingstone Ms J Privelage Ms H Roche Ms H Thornton	(Appointed 6 December 2022) (Appointed 6 December 2022) (Appointed 6 December 2022) (Appointed 6 December 2022) (Appointed 6 December 2022) (Appointed 6 December 2022)
Secretary	Ms C Grant	
Charity number	105433	
Company number	03172572	
Registered office	The Old Schoolhouse St John's Road Huyton Merseyside L36 0UX	
Auditor	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL	
Bankers	NatWest Bank	
Solicitors	MSB Solicitors	

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 2023

The trustees present their report and financial statements for the year ended 31 March 2023.

The Board of Trustees is satisfied with the performance of The First Step Ltd during the year and the position at 31st March 2023 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.

Achievements and performance

The First Step is the only specialist charity in the region supporting anyone affected by domestic abuse or sexual violence. We pride ourselves on delivering high quality advice, support and accommodation to families and individuals.

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.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Public benefit

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

Awareness and Publicity

The First Step is committed to raising awareness of the causes and impacts of domestic abuse and sexual violence as widely as possible and we have featured on radio interviews, local television news programmes, conference and received widespread press coverage.

Through our brilliant survivor network, we were able to reach decision makers and commissioners about what people living in Knowsley find challenging about accessing support and what works and what is needed to benefit our local community which included holding a community day where members of our local community could attend a fund day but access information in relation what constitutes abuse and how to get support.

In November and December, we used the 16 days of action against violence against women and girls to hold a series of online and public activities to raise awareness. On 1st December 2022, The First Step held a Borough wide event which was a full team effort. Members of staff walked an incredible 17.5 miles across the Borough, starting at Halewood and finishing in Kirkby, stopping at each local area along the way. Other members of the team staffed 'pop-up' stalls in each area at various venues such as supermarkets, Whiston Hospital and Knowsley College. There was press interest in the event and our CEO gave various interviews throughout the day. The purpose of the event was to raise awareness of domestic abuse during the 16 days of action, raise local awareness of The First Step and be visible in the community post COVID, to ensure the community knew we are still here to support them. We also raised some funds on the day from generous donations from the public along the way. It was a brilliant day which was also supported by Local Councillors, The Police Crime Commissioner, and the Leader of Knowsley Council.

Nationally, we campaigned alongside other sector leaders calling for legislation on non-fatal strangulation, lobbying for improvements in the family courts and demanding an extension of funding to support domestic abuse victims who do not have recourse to public funds. Locally we The First Step survivor network have reviewed Policy and Strategy for our key partners Knowsley Borough Council, Merseyside Police and Crime Commissioner and Merseyside Police with the aim of improving services for those impacted by domestic abuse.

We organise fundraising events and co-ordinate the activities of our supporters both in the services we provide and in the wider community. We have now employed Fundraiser to support this work. TFS adheres to the guidance contained in the Fundraising Regulator's Code of Fundraising Practice.

Achievements and performance

Service User Overview - across the agency the charity meaningfully supported 1503 people which includes agency referrals, self-referrals and people contacting for information/advice.

The majority of service users identified themselves as white British with from other ethnic backgrounds. Ages ranged from pre-birth to 89 years with the majority coming from the 21 to 40 age range at 64%.

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. An IDSVA is a specialist professional who works with a victim of domestic abuse to develop a trusting relationship. They can help a victim with everything they need to become safe and rebuild their life and represent their voice at a Multi-agency Risk Assessment Conference (Marac), as well as helping them to navigate the criminal justice process and working with the different statutory agencies to provide wraparound support. 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 2022/23 the IDSVA service received 529 referrals.

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FOR THE YEAR ENDED 31 MARCH 2023

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 2022/23 we received 217 referrals for refuge space but were only able to accommodate 31 women and 65 children.

In addition to accommodating people locally we are able to access other refuges across the UK via the 'refuge online' service which provides a search feature for refuges and other emergency accommodation. Our refuges are WAFE (Women's Aid Federation of England) affiliated which means that we fully support the principle of an open-door policy believing victims accounts of their experiences rather than requiring proof of domestic abuse.

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. This has been significantly enhanced via KMBC Safer Accommodation duty legislated by the Domestic Abuse Act 2021. This ensured that those impacted by domestic abuse within accommodation based support can receive access to therapeutic support as well as an enhanced offer in line with the complexities of support needs of those impacted domestic abuse and challenges of nation resettlement. Resettlement of women is a significant part of our support role and we ensure 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. However a role dedicated to this has provided significantly better outcomes for those most vulnerable. 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. Safer accommodation funding has enabled critical continued support for up to three months post refuge from both resettlement workers and children's workers, a much needed support that has evidently reduced re-victimisation for those we support.

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, Ministry of Justice, PH Holt 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'. This has continued with the service being person centred, non-judgmental and works at the pace of the person accessing the service. We offer a holistic assessment for everyone who accesses our services, to ascertain support needed, and work out with the beneficiary the best support for them. Support can include intensive safety planning, assistance through criminal and civil legal processes and help to recover from the harmful impacts of abuse through 1-2-1 work and groups. Our aim is to tackle and prevent domestic abuse in all its forms. The focus of the community project is a client-first, trauma informed, recovery-focused approach - led by the beneficiary. We deliver trauma-informed support to people in a way that meets both their immediate and changing needs. We collaborate with the local community and partner agencies to ensure a holistic wrap around for our beneficiaries. During 2020/21 277 victims/survivors were supported by the service.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Children and Young People - Children and young people are often the hidden victims of abuse, and many are impacted by witnessing abuse at home and/or through unhealthy or abusive relationships as they get older.

The children's workers' roles have extended in hours and reach owing to safer accommodation funding which enables lead in house Early Help lead roles. The senior children's worker has been the lead on four early help cases that have been based in the refuge Work around Child Protection, strategy meetings and support for children their CP or CIN plans has significantly improved outcomes for children and non-abusive parents.

You and Me, Mum as well as the Helping Hands program, along with one-to-one sessions are conducted and as well as new developments expanding our service to support families that move on from refuge into the Knowsley area. This support for families in the community has been vital to the children in their resettlement. This continued support has enabled staff to finish programs such as Helping Hands with the children.

There have been many activities throughout the year including an overnight trip, various day trips to Gulliver's world in Summer and day trips to rock and river, Ella Bella's, Farmer Teds and Dandelion Days which is an equine day course focusing on emotions. At Christmas we had a trip to see Santa and a party hosted by Jumping Jacks; all impact the children's wellbeing as does the one-to-one therapeutic offer.

We have been able to extend our offer to schools to help them educate and support young people to develop healthy relationships.

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 as well as legal drop in surgeries. The range of groups and programmes facilitated this year included the Gateway, You me Mum, Trauma Solutions, Moving Forward and Relationships and You. We also delivered our Survivor Forum; a well-attended forum led by survivors looking at local and national responses to domestic abuse. Members of local /central government as well as police, press and researchers are invited to listen to the lived experiences of survivors in the aim of improving their response and access to support. 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 2516 hours of their time which equates to £26,112 Hourly rate is based on the Real Living Wage of which we are an accredited member.

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 £1,095,043 (2022: £882,180) and expenditure was £998,411 (2022: £855,441). This resulted in a surplus for the year of £96,632 (2022: £26,739).

Unrestricted reserves as at 31 March 2023 stood at £331,538 (2022: £234,936). The charity had no restricted reserves as at 31 March 2023 (2022: £nil).

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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 £331,538. 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.

Major risks

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 FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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 M E Weston	(Resigned 6 December 2022)
Mr K Rigby	
Mrs N J Harris	
Ms G D Fryer	(Appointed 6 December 2022)
Ms M Livingstone	(Appointed 6 December 2022)
Ms J Privelage	(Appointed 6 December 2022)
Ms H Roche	(Appointed 6 December 2022)
Ms H Thornton	(Appointed 6 December 2022)

Recruitment and appointment of trustees

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.

Organisational structure

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.

Induction and training of trustees

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.

Relationship with related parties

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..

Auditor

In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a General Meeting.

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Small company provisions

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

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Mr J D Fagan
Trustee

5 December 2023

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2023

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 AUDITOR'S REPORT
TO THE MEMBERS OF THE FIRST STEP LTD

Opinion

We have audited the financial statements of The First Step Ltd (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company'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 charity 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.

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 contained within the annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

**THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF THE FIRST STEP LTD**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

**THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF THE FIRST STEP LTD**

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Jean Ellis BA FCA CTA (Senior Statutory Auditor)
for and on behalf of DSG**

5 December 2023

**Chartered Accountants
Statutory Auditor**

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	9,382	-	9,382	11,265	-	11,265
Charitable activities	4	636,352	449,309	1,085,661	507,087	363,828	870,915
Total income		645,734	449,309	1,095,043	518,352	363,828	882,180
Charitable activities	5	549,102	449,309	998,411	491,613	363,828	855,441
Net income and movement in funds		96,632	-	96,632	26,739	-	26,739
Reconciliation of funds:							
Fund balances at 1 April 2022		234,936	-	234,936	208,197	-	208,197
Fund balances at 31 March 2023		331,568	-	331,568	234,936	-	234,936

The notes on pages 15 to 22 form part of these financial statements.

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	9		5,107		-
Current assets					
Debtors	10	70,149		53,976	
Cash at bank and in hand		676,219		509,966	
		<u>746,368</u>		<u>563,942</u>	
Creditors: amounts falling due within one year	11	419,907		329,006	
		<u>419,907</u>		<u>329,006</u>	
Net current assets			326,461		234,936
Total assets less current liabilities			<u>331,568</u>		<u>234,936</u>
The funds of the charity					
Unrestricted funds			331,568		234,936
			<u>331,568</u>		<u>234,936</u>

The financial statements were approved by the trustees on 5 December 2023



Mr J D Fagan
Trustee

Company registration number 03172572 (England and Wales)

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	17		171,928		232,253
Investing activities					
Purchase of tangible fixed assets		(5,675)		-	
Net cash used in investing activities			(5,675)		-
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			166,253		232,253
Cash and cash equivalents at beginning of year			509,966		277,713
Cash and cash equivalents at end of year			676,219		509,966

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

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 or grantors 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.

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.

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on cost
-----------------------	-------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 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.

1.9 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 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.

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.10 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.

1.11 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 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	9,382	11,265

4 Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Performance related grants	201,574	449,309	650,883	269,008	363,828	632,836
Charitable rental income	434,778	-	434,778	238,079	-	238,079
	<u>636,352</u>	<u>449,309</u>	<u>1,085,661</u>	<u>507,087</u>	<u>363,828</u>	<u>870,915</u>

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

5 Expenditure on charitable activities

	2023	2022
	£	£
Direct costs		
Staff costs	739,712	567,569
Depreciation and impairment	568	-
Building costs	80,520	121,410
Insurance	5,487	4,971
Office costs	28,359	32,284
Repairs and renewals	2,695	1,509
Cleaning	4,121	4,772
Service user costs	20,461	22,114
Miscellaneous expenses	35,672	11,548
Furniture and white goods	6,498	15,400
Bank charges	421	369
Professional fees	71,359	70,427
Exceptional Covid expenditure	-	650
	<u>995,873</u>	<u>853,023</u>
 Share of support and governance costs (see note 6)		
Governance	2,538	2,418
	<u>998,411</u>	<u>855,441</u>
 Analysis by fund		
Unrestricted funds	549,102	491,613
Restricted funds	449,309	363,828
	<u>998,411</u>	<u>855,441</u>

6 Support costs allocated to activities

	2023	2022
	£	£
Governance costs	2,538	2,418
	<u>2,538</u>	<u>2,418</u>
Analysed between:		
Audit fees	2,538	2,418
	<u>2,538</u>	<u>2,418</u>

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 (2022: £nil) in expenses from the charity.

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

8 Employees

The average monthly number employees during the year was:

	2023	2022
	Number	Number
Management and administration	5	4
Projects, activities and sessions	21	17
	<hr/>	<hr/>
Total	26	21
	<hr/>	<hr/>

Employment costs

	2023	2022
	£	£
Wages and salaries	658,428	503,752
Social security costs	47,804	39,737
Other pension costs	33,480	24,080
	<hr/>	<hr/>
	739,712	567,569
	<hr/>	<hr/>

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

9 Tangible fixed assets

	Fixtures and fittings
	£
Cost	
Additions	5,675
	<hr/>
At 31 March 2023	5,675
	<hr/>
Depreciation and impairment	
Depreciation charged in the year	568
	<hr/>
At 31 March 2023	568
	<hr/>
Carrying amount	
At 31 March 2023	5,107
	<hr/>

10 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	1	-
Other debtors	389	357
Prepayments and accrued income	69,759	53,619
	<hr/>	<hr/>
	70,149	53,976
	<hr/>	<hr/>

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

11 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	-	20,391
Deferred income	293,114	193,569
Trade creditors	92,638	86,597
Other creditors	-	1,049
Accruals and deferred income	34,155	27,400
	<u>419,907</u>	<u>329,006</u>

12 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2022	Incoming resources	Resources expended	At 31 March 2023
	£	£	£	£
BBC Children in Need	-	54,580	(54,580)	-
Big Lottery Reaching Communities Fund	-	189,043	(189,043)	-
Knowsley MBC - IDSVA	-	178,802	(178,802)	-
The Henry Smith Charity	-	24,800	(24,800)	-
Lloyds Bank Foundation	-	2,084	(2,084)	-
	<u>-</u>	<u>449,309</u>	<u>(449,309)</u>	<u>-</u>

Previous year:

	At 1 April 2021	Incoming resources	Resources expended	At 31 March 2022
	£	£	£	£
BBC Children in Need	-	21,127	(21,127)	-
Big Lottery Reaching Communities Fund	-	91,230	(91,230)	-
Knowsley MBC - IDSVA	-	154,955	(154,955)	-
The Henry Smith Charity	-	73,600	(73,600)	-
Lloyds Bank Foundation	-	22,916	(22,916)	-
	<u>-</u>	<u>363,828</u>	<u>(363,828)</u>	<u>-</u>

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

12 Restricted funds

(Continued)

BBC Children in Need

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

Knowsley MBC - IDVA 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.

13 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022	Incoming resources	Resources expended	At 31 March 2023
	£	£	£	£
Service user fund	10,182	9,912	(4,139)	15,955
General funds	224,754	635,822	(544,963)	315,613
	<u>234,936</u>	<u>645,734</u>	<u>(549,102)</u>	<u>331,568</u>
Previous year:	At 1 April 2021	Incoming resources	Resources expended	At 31 March 2022
	£	£	£	£
Service user fund	5,121	10,820	(5,759)	10,182
General funds	203,076	507,532	(485,854)	224,754
	<u>208,197</u>	<u>518,352</u>	<u>(491,613)</u>	<u>234,936</u>

Service users fund

The trustees have identified £15,955 (2022: £10,182) of funds that have been allocated to spend on supporting service users in future periods.

14 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.

15 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

THE FIRST STEP LTD
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

16 Controlling party

The charity is controlled by its Board of Trustees.

17 Cash generated from operations	2023	2022
	£	£
Surplus for the year	96,632	26,739
Adjustments for:		
Depreciation and impairment of tangible fixed assets	568	-
Movements in working capital:		
(Increase) in debtors	(16,173)	(53,619)
(Decrease)/increase in creditors	(8,644)	99,914
Increase in deferred income	99,545	159,219
Cash generated from operations	171,928	232,253

18 Analysis of changes in net funds

The charity had no material debt during the year.