

**Charity registration number 1062058**

**Company registration number 03339143 (England and Wales)**

**STEP DEVELOPMENT TRUST**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

# STEP DEVELOPMENT TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	J G Silverwood B Horsman D Patterson S Tarff S Abrahams
<b>Key Management Personnel</b>	J Corner (resigned 12 May 2023) K Hibberd R Hunt
<b>Charity number</b>	1062058
<b>Company number</b>	03339143
<b>Registered office</b>	The Venue 650 Manchester Road Stocksbridge Sheffield South Yorkshire S36 1DY
<b>Independent examiner</b>	H Jones ACA Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU
<b>Bankers</b>	Unity Trust Bank plc Four Brindleyplace Birmingham B1 2JB

---

# STEP DEVELOPMENT TRUST

## CONTENTS

---

	<b>Page</b>
Trustees report	1 - 4
Independent examiner's report	5
Statement of financial activities	6
Balance sheet	7
Statement of cash flows	8
Notes to the financial statements	9 - 16

---

# **STEP DEVELOPMENT TRUST**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)**

### ***FOR THE YEAR ENDED 31 MARCH 2023***

---

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, submit their annual report and the financial statements for the year ended 31 March 2023.

The accounts comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 principal objective of the Charity is the promotion, for the public benefit, of urban and rural regeneration in areas of social and economic deprivation (particularly Stocksbridge).

STEP has developed a range of regeneration activities to meet this objective including:

- Childcare and early years support to families through a purpose built 52 place day nursery and childcare centre under the Sure Start programme.
- Learning, health social and educational activities through its programme of informal learning, community wellbeing and social activities at The Venue.
- Provision of managed workspace at the STEP Business Centre with 32 purpose-built office and light industrial business units.
- Creative arts programmes including young people's activities at The Venue, a multi-purpose building for community, performance and social wellbeing activities.
- Providing opportunities for young people to perform and develop their musical skills.
- Supporting local community groups and offering volunteering opportunities to local residents.
- Tackling social isolation, loneliness and cost of living help, offering space to those in need of warmth and support, giving locals a chance to meet new people, play board games, and join in other activities.
- Supporting local community groups and offering volunteering opportunities to residents.

#### **Public Benefit**

In setting plans and priorities for areas of work, the Trustees of STEP Development Trust have had regard to the guidance from the Charity Commission of the provision of public benefit. In particular, the Trustees consider how planned activities will contribute to meeting the objectives they have set. How STEP delivers its principal charitable objective; that of social and economic regeneration in Stocksbridge and surrounding areas, is demonstrated in the above summary of STEP's objectives and achievements against that plan. Examples of activities are set out in this report.

The public benefit arising from STEP's work is implicit in the services delivered and the access to these by the local and surrounding communities thus assisting them in their daily lives, providing opportunities for personal development as well as social and economic benefits to the area

# **STEP DEVELOPMENT TRUST**

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

**FOR THE YEAR ENDED 31 MARCH 2023**

---

### **Achievements and performance**

The Charity continues to develop the service it offers emerging out of the pandemic, regaining its customer base and cash balances lost due to enforced building closures following Covid movement and other restrictions placed upon the Charity and the wider community.

During this period the board took the difficult decision to sell the Community Resource centre, selling at market value, in order to secure its financial sustainability, relieve the charity of a long-term debt burden. This has since enabled restoration of cash balances and built operational reserves.

The Charity have moved increasingly towards self-sustainability, removing the need for public subsidy to fund its core operating costs. The Charity attracted grants and other public funds only to deliver projects and services consistent to its charitable objectives. The Charity's wholly owned trading subsidiary, SBEL Ltd. Generates income to support the Charities operating costs in order to pursue its social and Charitable objectives. Following the pandemic the only significant government grants received by the Charity comes via Sheffield City Council from Funded Early Learning (FEL) support to parents. This funding is for all 3 and 4 year olds and eligible 2 year olds. This funding enables the Charity to offer childcare places to low income and working families. The funding doesn't cover the full cost of providing childcare and is therefore subsidised by the Charity in support of its social mission.

The significant increases in utilities and other operating costs arising from the national cost of living crisis has placed pressure on the charity's finances over the past year. Trustees have had no choice but to pass on some of these increased costs to customers. However, the board in recognition of the impact on the community has kept overall price increases across its facilities and services to below inflation levels to support service users, customers, tenants and community organisations.

During the year we have seen 3 long serving senior staff leave to take on new roles and adventures including the Business Centre coordinator, the Caretaker and latterly our Trust Manager of 13 years. Trustees would like to pay tribute and thank these staff for their efforts, stewardship, dedication and commitment to the Charity through an extended period of challenge and uncertainty.

This, along with cost of living challenges, presents significant risks which the board identified and responded to by providing additional support to staff and managers during the period of instability.

Trustees led on the recruitment of new senior staff including a dedicated experienced finance manager and venue officer and both have made immediate positive impacts to the organisation.

Despite the pandemic fallout and ongoing cost of living challenges, the charity has been able to regain 80% of customers at the Venue and attaining 100% occupancy at the Nursery and Business Centre. The board recognise the impact that the cost of living crisis had upon the staff team along with their enduring commitment to the charity and were able to increase salaries by 9.7% in April 2023.

The Charity is a living wage employer and trustees recognise its people are its most valuable asset.

Despite the quality of the recent appointments the board has identified the need to provide additional senior executive leadership and management to support the staff and senior management team, Trustees have taken a measured approach to considering a range of potential recruitment and employment options given the complex range of services offered, required skillset and expertise required to effectively provide the senior management and leadership role. The board has considered a range of recruitment options and will be making the necessary appointments before the end of the calendar year.

# **STEP DEVELOPMENT TRUST**

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

### **FOR THE YEAR ENDED 31 MARCH 2023**

---

#### **Financial review**

The Statement of Financial Activities set out on page 6 reflects all incoming resources receivable in the year irrespective of when income is spent. During the year there have been significant challenges.

The high level of occupancy at the Business Centre is good news but we continue to need to ensure the level of service provided is of a good level to existing tenants and to this end there has been an ongoing programme of refurbishment and decoration where finance allows to ensure this.

As in recent years it is anticipated that external funding opportunities will continue to be scarce and competition for grants and charitable funds high. Therefore, in common with recent years where the Trustees have seen year-on-year decreases in charitable income, Trustees expect to see a continued decrease in charitable income.

The Charity has net assets of £1,372,378 (2022 - £1,331,227) and will continue in its aim of achieving the levels of reserves as stated by the reserves policy below. The unrestricted funds held by STEP are £1,372,378 (2022 - £1,331,227)

The designated fund represents the total of the Charity's tangible fixed assets less the amounts of outstanding loans in respect of those assets as described in note 11.

#### **Reserves Policy**

It is the policy of the Trustees that unrestricted funds which have not been designated for a specific use should aim to be maintained at a level equivalent to six months' expenditure. The Trustees consider that general reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities whilst consideration is given to ways in which additional funds may be raised.

#### **Plans for future periods**

Looking ahead, the targets for the coming year build on progress made in 2022/2023 as follows:

- To secure effective senior management and leadership capacity to support the staff team and Charity's strategic development.
- To seek external support and investment to develop its creative and social programme including removing cost of living barriers for community, arts and health organisations.
- To continue to improve the financial position of the charity's assets by improved trading, reducing overheads and maximising commercial income generation.
- To increase occupancy at the STEP Business Centre to 90% averaged over the year and produce a net 10% contribution to the Charity.
- To maintain 100% occupancy across all ages taking up places at the Nursery and Children's Centre and maintain a 'Good' Ofsted Rating.
- To review the structure and governance arrangements of the Trust and its trading subsidiaries including recruiting new trustees to meet identified skills gaps and provide increased community accountability and engagement.

#### **Structure, governance and management**

The charity is a company limited by guarantee, number 03339143. It is a registered charity number 1062058. It is governed by a Memorandum and 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:

J G Silverwood  
B Horsman  
D Patterson  
S Tarff  
S Abrahams

# STEP DEVELOPMENT TRUST

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

---

None of the Trustees have any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

On appointment, new trustees are provided with induction training in relation to their duties and responsibilities for the Charity. Trustees are also provided with additional training if required and take part in a range of activities to enable them to update and improve their skills and knowledge.

The Trustees have delegated day to day management of the Charity's activities to a Trust Manager with each separate project and area of charitable activity being directly managed by a project manager reporting to the Trust Manager. The Senior Management Team meets on a regular basis and the Board meets on a monthly basis to provide oversight and strategic direction. Sub-committees of the Board meet, if and when required, for more detailed consideration of certain aspects of the Charity's operations. The Board considers monthly financial reports, quarterly performance assessments and conducts a half year review of budgets set against key performance indicators.

The Trustees regularly assess the risk to which the Charity is exposed, in particular major operational and financial risks, and are satisfied that systems are in place to mitigate exposure to the major risks.

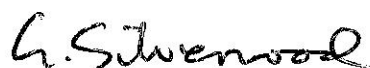
The remuneration of the key management personnel identified within the financial statements will be determined, monitored and reviewed by the Board of Directors. Factors taken into account will include level of responsibility, context and complexity of the role, benchmarking from similar providers as well as current and potential business requirements.

Details of the charity's transactions with its related parties are included in note 12.

### Reference and administrative details

Reference and administrative details for the Charity are set out separately on page 1.

The Trustees report was approved by the Board of Trustees.



J G Silverwood  
Trustee

12 December 2023

# STEP DEVELOPMENT TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF STEP DEVELOPMENT TRUST

---

I report to the Trustees on my examination of the financial statements of STEP Development Trust (the charity) for the year ended 31 March 2023.

#### **Responsibilities and basis of report**

As the Trustees of the company (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 the 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.

H Jones ACA  
Hart Shaw LLP  
Europa Link  
Sheffield Business Park  
S9 1XU

Dated: 12 December 2023



# STEP DEVELOPMENT TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b><u>Income from:</u></b>			
Charitable activities	2	559,448	521,242
<b><u>Expenditure on:</u></b>			
Expenditure on charitable activities	3	518,297	499,575
<b>Net income for the year/ Net movement in funds</b>		41,151	21,667
Fund balances at 1 April 2022		1,331,227	1,309,560
<b>Fund balances at 31 March 2023</b>		1,372,378	1,331,227

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

# STEP DEVELOPMENT TRUST

## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	7		752,395		789,569
Investments	8		1		1
			<u>752,396</u>		<u>789,570</u>
<b>Current assets</b>					
Debtors	9	529,850		518,475	
Cash at bank and in hand		160,294		90,627	
		<u>690,144</u>		<u>609,102</u>	
<b>Creditors: amounts falling due within one year</b>	10	(70,162)		(67,445)	
Net current assets			619,982		541,657
<b>Total assets less current liabilities</b>			<u>1,372,378</u>		<u>1,331,227</u>
<b>Income funds</b>					
<u>Unrestricted funds</u>					
Designated funds	11	752,395		789,569	
General unrestricted funds		619,983		541,658	
			<u>1,372,378</u>		<u>1,331,227</u>
			<u>1,372,378</u>		<u>1,331,227</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 2023.

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 12 December 2023



J G Silverwood  
Trustee

Company registration number 03339143

# STEP DEVELOPMENT TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	14		69,667		2,896
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(2,055)	
Proceeds from disposal of investment property		-		250,000	
<b>Net cash (used in)/generated from investing activities</b>			-		247,945
<b>Financing activities</b>					
Interest paid		-		(949)	
Repayment of bank loans		-		(258,466)	
<b>Net cash used in financing activities</b>			-		(259,415)
<b>Net increase/(decrease) in cash and cash equivalents</b>			69,667		(8,574)
Cash and cash equivalents at beginning of year			90,627		99,201
<b>Cash and cash equivalents at end of year</b>			160,294		90,627

# STEP DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023**

---

### **1 Accounting policies**

#### **Charity information**

STEP Development Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is The Venue, 650 Manchester Road, Stocksbridge, Sheffield, South Yorkshire, S36 1DY.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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 resources are accounted for when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied:

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

Grants and awards comprise amounts receivable in the UK. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate. Grants for specific projects and charitable activities are included in incoming resources from charitable activities. General grants are shown as voluntary income in the statement of financial activities. Capital grants receivable are recognised immediately in the Statement of Financial Activities unless they are restricted to future accounting periods.

Gifts in kind, donated for distribution are included at valuation and recognised as income when distributed to the projects. Donated facilities are included at the value to the Charity where this can be quantified, and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Investment income represents bank interest received on the Charity's cash deposits.

# STEP DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is charged to the Statement of Financial Activities on an accruals basis, exclusive of VAT where recoverable.

Charitable expenditure comprises those costs incurred in the delivery of its activities and services for its beneficiaries, including both direct and support costs.

Governance costs include those costs associated with meeting constitutional and statutory requirements,

In the opinion of the Trustees, all support costs relate to charitable expenditure.

#### 1.6 Cost apportionment

A proportion of costs are allocated to costs of generating funds and costs of charitable activities on the following bases:

- Staff costs - staff time spent on each activity;
- Premises costs - floor are occupied by each activity;
- Other office costs - staff time spent on each activity.

#### 1.7 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:

Freehold property	over 50 years
Leasehold property	over life of lease
Office equipment	over 3 years

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.

#### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.9 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).

#### 1.10 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.

# STEP DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

(Continued)

#### 1.11 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.

#### 1.12 Taxation

STEP Development Trust is a registered charity, and its activities are not currently subject to taxation.

#### 1.13 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.

#### 1.14 Retirement benefits

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

#### 1.15 Consolidation

The charity's accounts have not been consolidated with those of its subsidiary, STEP Business Enterprises Limited, as aggregate group income has not exceeded £1m.

# STEP DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

### 2 Charitable activities

	2023 £	2022 £
Nursery and other charitable activities	559,448	521,242

### 3 Expenditure on charitable activities

	2023 £	2022 £
Staff costs	355,973	324,122
Depreciation and impairment	37,174	52,641
	393,147	376,763
Share of support costs (see note 4)	117,150	120,026
Share of governance costs (see note 4)	8,000	2,786
	518,297	499,575

### 4 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Support costs	92,384	-	92,384	88,816	-	88,816
Other staff costs	24,766	-	24,766	31,210	-	31,210
Governance costs	-	8,000	8,000	-	2,786	2,786
	117,150	8,000	125,150	120,026	2,786	122,812
Analysed between						
Charitable activities	117,150	8,000	125,150	120,026	2,786	122,812

Governance costs includes payments of £8,500 (2022: £10,789) for independent examination fees.

# STEP DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 5 Trustees

No Trustees received or waived any emoluments during the year (2022: none). During the year, no Trustees were reimbursed any travel expenses (2022: none).

### 6 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Management and financial	3	2
Charitable activities	15	11
Total	18	13

Administrative staff, directly supporting projects and paid from project funds, have been included within charitable activities.

Employment costs	2023 £	2022 £
Wages and salaries	326,118	298,189
Social security costs	24,002	20,625
Other pension costs	5,853	5,308
	355,973	324,122

There were no employees whose annual remuneration was more than £60,000 (2022: none).

### 7 Tangible fixed assets

	Freehold property £	Leasehold property £	Office equipment £	Total £
<b>Cost</b>				
At 1 April 2022	1,152,033	3,392,918	337,570	4,882,521
At 31 March 2023	1,152,033	3,392,918	337,570	4,882,521
<b>Depreciation and impairment</b>				
At 1 April 2022	520,690	3,234,997	337,265	4,092,952
Depreciation charged in the year	22,739	14,130	305	37,174
At 31 March 2023	543,429	3,249,127	337,570	4,130,126
<b>Carrying amount</b>				
At 31 March 2023	608,604	143,791	-	752,395
At 31 March 2022	631,343	157,921	305	789,569



# STEP DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 8 Fixed asset investment

		Other investments
<b>Cost or valuation</b>		
At 1 April 2022 & 31 March 2023		1
<b>Carrying amount</b>		
At 31 March 2023		1
At 31 March 2022		1

		2023 £	2022 £
Other investment comprises:	<b>Notes</b>		
Investment in subsidiary	13	1	1

### 9 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,644	11,836
Amounts owed by subsidiary undertakings	516,973	493,440
Prepayments and accrued income	11,233	13,199
	529,850	518,475

### 10 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	11,615	3,298
Trade creditors	40,132	35,323
Other creditors	718	361
Accruals and deferred income	17,697	28,463
	70,162	67,445

# STEP DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 11 Designated funds

	Balance at 1 April 2021 £	Transfer £	Balance at 1 April 2022 £	Transfer £	Balance at 31 March 2023 £
Capital fund	899,315	(109,746)	789,569	(37,174)	752,395

The capital designated fund represents that part of the Charity's funds invested in property and related assets and thus unavailable for current programme costs or future development. Each year a transfer is made between the fixed asset fund and general reserves equal to the net movement on fixed assets after allowing for any grant and loan finance used for capital expenditure.

### 12 Related party transactions

There were no related party transactions during the year. In the previous year there was a payment of £4,000 to S Tarff for work carried out in relation to the Groundwork Grant. S Tarff is a trustee of STEP Development Trust.

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	88,533	115,310

### 13 Subsidiary

Details of the charity's subsidiary at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held
STEP Business Enterprises Limited	England and Wales	Provision of managed workspace and a multi-purpose building supporting the local community	Ordinary	100.00

# STEP DEVELOPMENT TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14	Cash generated from operations	2023	2022
		£	£
	Surplus for the year	41,151	21,667
	Adjustments for:		
	Interest payable	-	8,275
	Depreciation and impairment of tangible fixed assets	37,174	52,641
	Movements in working capital:		
	(Increase) in debtors	(11,375)	(49,756)
	Increase/(decrease) in creditors	2,717	(29,931)
	<b>Cash generated from operations</b>	<u>69,667</u>	<u>2,896</u>
15	Analysis of changes in net funds	At 1 April 2022	Cash flowsAt 31 March 2023
		£	£
	Cash at bank and in hand	<u>90,627</u>	<u>69,667</u>
			<u>160,294</u>