

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 2024

STEP DEVELOPMENT TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J G Silverwood B Horsman D Patterson S Abrahams
Key Management Personnel	J Corner (resigned 12 May 2023) K Hlbberd E Markham (appointed 11 April 2023)
Charity number	1062058
Company number	03339143
Registered office	The Venue 650 Manchester Road Stocksbridge Sheffield South Yorkshire S36 1DY
Independent examiner	H Jones ACA Hart Shaw LLP Europa Link Sheffield Business Park Sheffield S9 1XU
Bankers	Unity Trust Bank plc Four Brindleyplace Birmingham B1 2JB

STEP DEVELOPMENT TRUST

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STEP DEVELOPMENT TRUST

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

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 2024.

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 2024

Achievements and performance

The Charity continues to develop its service offerings following its recovery from the global pandemic and into the cost of living crisis, growing its user base and strengthening its cash balances and reserves lost following the impact of Covid upon its operations and the community.

In 2023 The Charity has further progressed its stated aim of financial independence and self-sustainability, removing the need for grant and public subsidy to fund its core operating costs. The Charity attracts grants and other public funds to deliver projects and services consistent to its charitable objectives and to support the sustainability of its assets. The Charity's wholly owned trading subsidiary, SBEL Ltd., generates trading income to support the Trusts operating costs in order to pursue its charitable objects for public benefit. SBEL has not generated a profit this year, however a plan is in place to return the subsidiary to a net profit position over the next couple of years.

During 2023 The trust has borne significant increases in staffing, utilities and other operating costs arising from the national cost of living crisis which 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, in recognition of the impact on the community has continued to keep overall price increases, across its facilities and services to below inflation levels to support service users, customers, tenants and community organisations.

During the year the board recruited new senior staff including a dedicated finance manager, venue manager and facilities maintenance staff following the departure of long serving employees.

In addition, 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.

Following detailed consideration of the recruitment options including a cost benefit analysis along with the immediate needs to support the new senior team the board approached its trustee, Sam Tarff, who had formally been the CEO, prior to joining the board as a trustee. As CEO Sam has led the organisation through past challenging times to take up the post on a part time basis. The board initially sought permission from the Charity Commission to enable Sam to remain as a Trustee However, Sam decided that it would be in the best interests of the Charity to stand down and subsequently resigned as a trustee in January 2024 to take up the CEO role in March 2024. Unfortunately, there was a delay in filing the paperwork with companies house which resulted in there being a crossover period where Sam was both a trustee and CEO. This matter has been detailed in note 5 to the accounts.

The Charity 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.

Despite the pandemic fallout and ongoing cost of living challenges, the charity has been able to grow its user and customer base at the Venue, above pre pandemic levels and has built a reputation as an events and performance centre for dance schools in the area including its own resident dance school, the Lauren McCaslin school of dance. The Nursery continues to be full and the Business Centre has secured an average occupancy throughout the year of 84%.

The Charity continues its commitment to being a real living wage employer and trustees recognising its people are the most valuable asset.

STEP DEVELOPMENT TRUST

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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 £904,349 (2023 as restated - £855,405) 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 £904,349 (2023 as restated - £855,405).

The designated fund represents the total of the Charity's tangible fixed assets.

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 2023/2024 as follows:

- To support, retain and develop the staff and senior management team given the current and potential skills and recruitment challenges facing the charity sector.
- To continue to invest in its physical assets through a target building improvement programme using its own and additional external investment, particularly around energy reduction and low carbon initiatives.
- To seek external funding 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 growing its reserves, supporting SBEL in income generation through improved trading ongoing efficiency measures and reducing overheads.
- To increase occupancy at the STEP Business Centre to 95% averaged over the year to produce a net 10% contribution to the Charity's core operating costs.
- To maintain 100% occupancy across all ages taking up places at the Nursery and Children's Centre, improving on its current 'Good' rating and looking to secure an outstanding Ofsted Rating.
- To review the Marketing strategy, company 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.

STEP DEVELOPMENT TRUST

TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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

(Resigned 2 April 2024)

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 Trustees. 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.



D Patterson

Trustee

10 December 2024

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 2024.

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 - matter of concern identified

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 have identified a matter of concern in my report as follows:

During the year, the charity appointed S G Tarff as CEO from 1 March 2024, in which he was paid £6,600 for CEO expenses in the year ending 31 March 2024. S G Tarff was a trustee of the charity, however, the charity intended for S G Tarff to resign as a trustee in January 2024 (as evidenced within the charity's board minutes). Unfortunately, the relevant resignatory paperwork was not filed with Companies House until 2 April 2024 meaning that S G Tarff didn't officially resign as a trustee until this date. As such, a trustee was technically paid albeit as a result of a documentation error. This has been appropriately disclosed as a payment to a trustee in the year within the financial statements.

I confirm that no other 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 confirm that there are 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: 16 December 2024

STEP DEVELOPMENT TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

			Unrestricted funds 2024 £	Unrestricted funds as restated 2023 £
	Notes	£	£	£
Income from:				
Charitable activities	2		596,031	559,448
Expenditure on:				
Charitable activities	3		547,087	518,297
Net income			48,944	41,151
Exceptional item	7		-	(516,973)
Net movement in funds			48,944	(475,822)
Reconciliation of funds:				
Fund balances at 1 April 2023				
As originally reported		1,372,378		1,331,227
Prior year adjustment		(516,973)		-
As restated	17		855,405	1,331,227
Fund balances at 31 March 2024			904,349	855,405

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 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	8		715,775		752,395
Investments	9		1		1
			<u>715,776</u>		<u>752,396</u>
Current assets					
Debtors	10	11,149		12,877	
Cash at bank and in hand		221,407		160,294	
		<u>232,556</u>		<u>173,171</u>	
Creditors: amounts falling due within one year	11	43,983		70,162	
Net current assets			<u>188,573</u>		<u>103,009</u>
Total assets less current liabilities			<u>904,349</u>		<u>855,405</u>
The funds of the charity					
Designated funds	12		715,775		752,395
Unrestricted funds			<u>188,574</u>		<u>103,010</u>
			<u>904,349</u>		<u>855,405</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 2024.

The director acknowledges his 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 10 December 2024



D Patterson
Trustee

Company registration number 03339143 (England and Wales)

STEP DEVELOPMENT TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

		2024		2023 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	15		62,307		69,667
Investing activities					
Purchase of tangible fixed assets		(1,194)		-	
Net cash used in investing activities			(1,194)		-
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			61,113		69,667
Cash and cash equivalents at beginning of year			160,294		90,627
Cash and cash equivalents at end of year			221,407		160,294

STEP DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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 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 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 2024

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 2024

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 2024

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 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Nursery and other charitable activities	596,031	559,448

3 Expenditure on charitable activities

	2024 £	2023 £
Staff costs	322,949	355,973
Depreciation and impairment	37,814	37,174
	360,763	393,147
Share of support costs (see note 4)	178,497	117,150
Share of governance costs (see note 4)	7,827	8,000
	547,087	518,297

4 Support costs

	Support costs £	Governance costs £	2024 £	Support costs £	Governance costs £	2023 £
Support costs	132,719	-	132,719	92,384	-	92,384
Other staff costs	45,778	-	45,778	24,766	-	24,766
Governance costs	-	7,827	7,827	-	8,000	8,000
	178,497	7,827	186,324	117,150	8,000	125,150
Analysed between Charitable activities	178,497	7,827	186,324	117,150	8,000	125,150

Governance costs includes payments of £7,500 (2023: £8,500) for independent examination fees.

STEP DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5 Trustees

Other than the payment made to S G Tarff, as detailed below, no trustees received or waived any emoluments during the year (2023: none). During the year, expenses of £175 (2023: £nil) were reimbursed to trustees for mileage and accommodation.

During the year the charity appointed S G Tarff as CEO from 1 March 2024, in which he was paid £6,600 for CEO services in the year ending 31 March 2024. S G Tarff was a trustee of the charity, however, the charity intended for S G Tarff to resign as a trustee in January 2024 (as evidenced within the charity's board minutes). Unfortunately, the relevant resignatory paperwork was not filed with Companies House until 2 April 2024 meaning that S G Tarff didn't officially resign as a trustee until this date. As such, a trustee was technically paid albeit as a result of a documentation error.

6 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Management and financial	1	3
Charitable activities	12	15
Total	13	18

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

Employment costs	2024 £	2023 £
Wages and salaries	297,773	326,118
Social security costs	20,422	24,002
Other pension costs	4,754	5,853
	322,949	355,973

There were no employees whose annual remuneration was more than £60,000 (2023: none).

7 Exceptional items

	Unrestricted funds 2024 £	Unrestricted funds as restated 2023 £
Exceptional item in relation to provision	-	516,973

STEP DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Exceptional items

(Continued)

The exceptional item above relates to a provision for bad debt in connection to amounts owed from the trading subsidiary. The charity and its subsidiary have plans in place to begin recouping this debt over a number of years, however it has been considered appropriate and prudent to make a provision against the amount due.

8 Tangible fixed assets

	Freehold property £	Leasehold property £	Office equipment £	Total £
Cost				
At 1 April 2023	1,152,033	3,392,918	337,570	4,882,521
Additions	-	-	1,194	1,194
At 31 March 2024	1,152,033	3,392,918	338,764	4,883,715
Depreciation and impairment				
At 1 April 2023	543,429	3,249,127	337,570	4,130,126
Depreciation charged in the year	22,739	14,942	133	37,814
At 31 March 2024	566,168	3,264,069	337,703	4,167,940
Carrying amount				
At 31 March 2024	585,865	128,849	1,061	715,775
At 31 March 2023	608,604	143,791	-	752,395

9 Fixed asset investment

	Other investments
Cost or valuation	
At 1 April 2023 & 31 March 2024	1
Carrying amount	
At 31 March 2024	1
At 31 March 2023	1

	Notes	2024 £	2023 £
Other investment comprises:			
Investment in subsidiary	14	1	1

STEP DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 Debtors

	2024	2023 as restated
	£	£
Amounts falling due within one year:		
Trade debtors	3,431	1,644
Prepayments and accrued income	7,718	11,233
	<u>11,149</u>	<u>12,877</u>

11 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	8,884	11,615
Trade creditors	16,805	40,132
Other creditors	20	718
Accruals and deferred income	18,274	17,697
	<u>43,983</u>	<u>70,162</u>

12 Designated funds

	Movement in funds				
	Balance at 1 April 2022	Transfer	Balance at 1 April 2023	Transfer	Balance at 31 March 2024
	£	£	£	£	£
Capital fund	<u>789,569</u>	<u>(37,174)</u>	<u>752,395</u>	<u>(36,620)</u>	<u>715,775</u>

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.

13 Related party transactions

There were no related party transactions during the year.

Remuneration of key management personnel

The remuneration of key management personnel, including costs relating to the outsourced CEO, are as follows.

	2024	2023
	£	£
Aggregate compensation	<u>70,884</u>	<u>88,533</u>

STEP DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

14 Subsidiary

Details of the charity's subsidiary at 31 March 2024 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

15 Cash generated from operations

	2024 £	2023 as restated £
Surplus/(deficit) for the year	48,944	(475,822)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	37,814	37,174
Movements in working capital:		
Decrease in debtors	1,728	505,598
(Decrease)/increase in creditors	(26,179)	2,717
Cash generated from operations	62,307	69,667

16 Analysis of changes in net funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	160,294	61,113	221,407

STEP DEVELOPMENT TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

17 Prior period adjustment

Changes to the balance sheet

	At 31 March 2023		
	As previously reported	Adjustment	As restated
	£	£	£
Current assets			
Debtors due within one year	529,850	(516,973)	12,877
Capital funds			
Income funds			
Unrestricted funds	1,372,378	(516,973)	855,405
Total equity	1,372,378	(516,973)	855,405

Changes to the profit and loss account

	Period ended 31 March 2023		
	As previously reported	Adjustment	As restated
	£	£	£
Income/expenditure for the year	41,151	-	41,151
Exceptional item	-	(516,973)	(516,973)
Net movement in funds	41,151	(516,973)	(475,822)

Notes to restatements

Exceptional items

The exceptional item above relates to a provision for bad debt in connection to amounts owed from the trading subsidiary. The charity and its subsidiary have plans in place to begin recouping this debt over a number of years, however it has been considered appropriate and prudent to make a provision against the amount due. Management believe the conditions existed at 31 March 2023 and therefore a prior period adjustment has been made to reflect this.