

REGISTERED COMPANY NUMBER: 04305048 (England and Wales)
REGISTERED CHARITY NUMBER: 1091258

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023
FOR
STEP BY STEP SCHOOL LIMITED

WBD Accountants Limited
Statutory Auditor
Marlbridge House
Enterprise Way
Edenbridge
Kent
TN8 6HF

STEP BY STEP SCHOOL LIMITED

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**REPORT OF THE TRUSTEES
for the Year Ended 31 AUGUST 2023**

The Trustees of the charity who are also Directors are pleased to present their annual report together with the financial statements of the charity for the year ending 31 August 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The primary activity of the charity is to run Step by Step School, an independent special day school. The School aims to offer an exceptional provision for pupils with autistic spectrum conditions, ranging in age from 4-19, through the delivery of individually tailored teaching programs. All the children have Education, Health and Care Plans (EHCPs).

The School has developed a high degree of expertise in teaching children and young people with autism. The public benefit of the charity is to provide specialist education in the region for children who are moderately to severely affected by autism. The School also provides advice to parents (pupils and non-pupils) to help them overcome the challenges of having a child or young person at home with autism.

The mission of the charity is to maximise the potential of pupils with Autistic Spectrum Conditions (ASCs) through evidence based, individually tailored, outstanding teaching to enable them to thrive and live happy, confident lives.

The overall goals of the charity are as follows:-

- To develop in each pupil the skills they need to achieve as high a standard of independence as possible.
- To enable pupils to express choice, exercise control over themselves and their environment and achieve their full potential.
- To provide a highly modified curriculum differentiated to meet the individual needs of each pupil through an appropriately broad and balanced programme of education.
- To ensure the acquisition of appropriate communication skills for active participation in day-to-day experiences and to enhance pupils' social and emotional growth.
- To monitor and record progress regularly and consistently, ensuring that pupils are appropriately challenged in order to maximise personal development and enhance quality of life.
- To nurture and encourage the development of positive, caring relationships between pupils, their peers and the staff.
- To create a secure environment within which the pupils develop a sense of confidence and self-esteem.
- To build working partnerships with parents/carers in order to promote confidence and develop mutual support and consistency between home and School.
- To co-operate positively with other professionals and specialist services so all of the pupils' needs are addressed.
- To encourage interaction between School and the local community to promote inclusive opportunities.
- To provide training and support to our staff, to ensure that they are competent and confident in their roles and to promote their professional development.
- To maintain our position at the forefront of knowledge in the education of children with autism.

Step by Step School is committed to safeguarding and promoting the welfare of children and young people, and expects all staff and volunteers to share this commitment.

**REPORT OF THE TRUSTEES
for the Year Ended 31 AUGUST 2023**

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Trustees consider that the School has continued to develop in line with the objectives of the charity during 2022-2023, and would like to highlight the following developments:-

- The school received and 'outstanding' Ofsted judgement in all areas in October 2022
- The School has a rigorous and robust pupil progress data system that is shared with Governors. During the 2022-2023 academic year, 97% of pupils made good or outstanding progress. The School uses a basket of measures to track progress and these are reported to Governors termly, alongside a more detailed progress report annually.
- The School continued to work with a School Improvement Partner (SIP), who provides independent scrutiny of the School across the areas in the OFSTED framework and in meeting the Independent School Standards. The SIP reports directly to the Board of Trustees following each visit. There are 3 visits a year.
- Demand for places at Step by Step School continued to be strong. We had 33 pupils on roll at the end of the academic year 2022/23 and received over 50 consultation papers from Local Authorities for placement.
- At the end of the academic year 2022/23 we had 70 members of staff including 5 Qualified Teachers, 5 Board Certified Behaviour Analysts, 2 Occupational Therapists and 2 Speech and Language Therapists. Middle leader training was undertaken to prepare staff for promotions.
- A role and training needs analysis was completed for Phase 1 of our work on organisational behaviour management
- During the academic year, the School funded 1 member of staff in undertaking a PhD, 2 with their ABA masters. The school has a rolling programme of training and development for all staff. Continuing professional development is a key priority for the School.
- The Head Teacher supported 4 other schools as a School Improvement Partner, all of which received either a good or outstanding Ofsted judgment
- The School has 2 members of staff that are trained to deliver the positive behaviour strategy, 'Team Teach'.
- The School operates a robust staff appraisal system. Staff join the appraisal cycle following successful completion of their probation. There were 131 targets set across 52 staff during the year, of which 112 were achieved, 13 were partially achieved, 6 not achieved.
- A new electronic platform, Bluesky was introduced to align staff appraisal within the quality assurance framework for teaching and Learning
- The School opened a new library facility during the Autumn Term of 2022, using fund-raised money to provide the resources for this
- A priority in teaching and learning throughout the year was embedding frequent practice of targets so our pupils are able to maximise their learning opportunities
- Three deep dives were presented to the Teaching and Learning committee on Physical Development, Paired Group work and Communication Passports.
- A new sensory shelter was opened in the summer of 2023 as well as improving play facilities for the primary pupils with a replacement swing chair
- The school hosted a successful numeracy conference and purchased new equipment to assist pupils with their understanding of numeracy
- Core academic subject trackers in literacy, numeracy and PSHE were devised

**REPORT OF THE TRUSTEES
for the Year Ended 31 AUGUST 2023**

- The school now offers an Arts Award accreditation, following the successful training of a member of staff as the lead
- Behaviour plans for all pupils were evaluated leading to a new format ensuring consistency and inclusion of pupil's risk assessments
- Every pupil now has a communication passport to enhance communication both within and beyond school
- The school worked with an external agency, Triangle Services for children to develop pupils and staff understanding of safeguarding measures

Financial review

Principal funding sources

The principal source of income for the School is fees paid by Local Authorities. The Trustees are aware that offering good value for money is paramount when operating in the current economic climate and are committed to continuing to provide that. We apply as much fee income as possible to the benefit of the pupils attending the School.

We had significant success with fundraising during 2022/23 and raised a total of £13,130 of unrestricted funds and £4,990 of restricted funds.

The Trustees would like to thank all the charities, companies, clubs, organisations and individuals who supported us during 2022/23 both financially and otherwise, and in particular, would like to thank the following donors:-

- East Grinstead Rugby Football Club - Sunshine Sevens
- Peddu family
- Woodman family
- South East Water
- Greenstede Lodge
- Sussex Masonic Charities
- NHS Retirement Fellowship
- Pupils, Parents, Staff and Governors of our school for various fundraising efforts

Reserves policy

The Trustees have a policy (last updated on 24th November 2014) that the Free Reserves held by the charity should equal at least three months of projected Total Resources Expended. The Trustees define Free Reserves as unrestricted funds not invested in tangible fixed assets, not yet committed or designated for a specific purpose, and excluding liabilities falling due after more than one year (eg non-current portion of debt). At this level of Free Reserves, the Trustees consider that the charity would be able to continue operating in the event of a significant drop in incoming resources.

At the end of August 2023, the Free Reserves amounted to £836,376 equal to 4 months of projected Total Resources Expended for 2023/24, a level which is considered acceptable by the Trustees.

Financial and risk management objectives and policies

Key Indicators of Financial Performance

School fee income in 2022/23 decreased by 3% vs prior year. Total resources expended increased by 3% vs prior year.

The charity has a fixed rate loan from NatWest to fund part of the capital expenditure for the Susan James Wing and at end of August 2023 had a loan outstanding of £216,816.

Risk Management

The Trustees regularly review the risks to which the charity is exposed to ensure appropriate controls are in place and to provide reasonable assurance against fraud and error. The risks associated with running Step by Step School are both operational and strategic. Operational risks are managed on a day to day basis by the Head Teacher and the staff, whilst the strategic risks, being mainly legal and financial, are managed by the Board on a periodic basis through Board meetings, where budget monitoring is a standing item. The charity holds the appropriate level of insurance against fire and perils, liability and professional indemnity.

**REPORT OF THE TRUSTEES
for the Year Ended 31 AUGUST 2023**

STRATEGIC REPORT

Future plans

The School is registered for 40 pupils following a Department for Education Ofsted Material Change Inspection in July 2021. The Trustees intend to expand the School gradually, whilst maintaining the quality of the provision at a very high level.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing documents, a deed of trust, and constitutes a limited company limited by guarantee, as defined by the Companies Act 1985.

Recruitment and appointment of new trustees

There are two types of Trustees: Parent and Independent. The authorised number of Trustees is nine made up of two Parent Trustees and seven Independent Trustees. The Parent Trustees are decided by a vote amongst the current parents and the Independent Trustees are recruited through personal recommendations and through on-line platforms such as Inspiring Governance.

Organisational structure

All Directors of the company are also Trustees of the charity and there are no other Trustees. The Trustees serving are noted below. Each Trustee is also a School Governor.

Decision making

The Governors meet as a full Board and as two Board committees: Teaching & Learning and HR & Finance. All key decisions require approval at the full Board. Individual Governors take on preparatory work in advance of a Board meeting, for example reviewing certain school policies assigned to them. Governors visit the School during the day 2-3 times a year to monitor progress within a focused area of the School Improvement Plan as part of a Quality Assurance cycle. A professional Clerk supports the work of the Governors.

The Governing Board also includes the Head Teacher and a Staff Governor voted by staff. The Head Teacher and the Staff Governor are not Trustees nor Company Directors.

Day to day management of the School is delegated to the Head Teacher, who reports to the Chair of the Board. The distinction between the operational and strategic roles is clear and is reinforced through Trustee induction and ongoing training.

Induction and training of new trustees

All Trustees are subject to an enhanced DBS check and are required to undertake training in Safeguarding/Child Protection and the role of a School Governor. All Trustees also receive induction training (including gaining an appreciation of all policies and procedures of the School) from the Head Teacher and the Chair of the Board. After induction, Trustees are provided with both ongoing individual and group training sessions, delivered on-line and by outside trainers.

Each Trustee is formally appointed for a four year term at the Annual General Meeting of the Members of the charity which usually takes place during the first quarter of each calendar year. Should a vacancy arise during the year, the Board has the power to co-opt a new Trustee for an interim period until the next AGM.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04305048 (England and Wales)

Registered Charity number

1091258

STEP BY STEP SCHOOL LIMITED

REPORT OF THE TRUSTEES
for the Year Ended 31 AUGUST 2023

Registered office

Step By Step School
Grinstead Lane
Sharpthorne
East Grinstead
West Sussex
RH19 4HP

Trustees

S King Director (resigned 10.3.23)
Dr C James Director
Ms A Burdge Director
Mrs J Moss Director (resigned 10.3.23)
Ms B Gan Director
Ms N Smart Director
M Colyer Director (appointed 10.3.23)
Ms T Lambert Director (appointed 10.3.23)

Auditors

WBD Accountants Limited
Statutory Auditor
Marlbridge House
Enterprise Way
Edenbridge
Kent
TN8 6HF

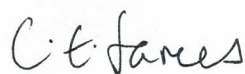
Bankers

NatWest Commercial Banking
2nd Floor
Turnpike House
123 High Street
Crawley
West Sussex
RH10 1DQ

AUDITORS

The auditors, WBD Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 27 February 2024 and signed on the board's behalf by:



Dr C James - Trustee

STEP BY STEP SCHOOL LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES for the Year Ended 31 AUGUST 2023

The trustees (who are also the directors of Step By Step School Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STEP BY STEP SCHOOL LIMITED

Opinion

We have audited the financial statements of Step By Step School Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 August 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STEP BY STEP SCHOOL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STEP BY STEP SCHOOL LIMITED

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the compliance with the education, health and safety and various legislation governing safeguarding children and we considered the extent to which non compliance might have a material effect on the financial statements of the company.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Companies Act 2006.

In addition, we considered provisions of other laws and regulations that do not have a direct impact on financial statements but compliance with which may be fundamental to the company's ability to operate or avoid a material penalty. These include data protection and employment.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls and determined that the principal risks were related to revenue recognition, posting inappropriate journal entries and management bias in accounting estimates and judgement areas of the financial statements such as accruals and carrying value of fixed assets.

Audit procedures performed by the engagement team included:

- Discussions with management and review of third party reports, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Understanding of the management's internal controls designed to prevent and detect irregularities
- Reviewing relevant meeting minutes.
- System walk-through tests used to develop an in depth understanding of the entity's control environment, however minimal reliance is placed on control within the audit approach. Substantive test of detail carried out, with a broad scope, in order to explore all aspects of revenue recognition.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

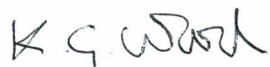
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error as fraud may involve deliberate concealment, by for example, forgery or intentional misrepresentation or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
STEP BY STEP SCHOOL LIMITED**

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 auditors' 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.



K G Wood FCCA (Senior Statutory Auditor)
for and on behalf of WBD Accountants Limited
Statutory Auditor
Marlbridge House
Enterprise Way
Edenbridge
Kent
TN8 6HF

27 February 2024

STEP BY STEP SCHOOL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 AUGUST 2023

	Notes	Unrestricted Funds £	Restricted Funds £	31.8.23 Total funds £	31.8.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	14,808	4,990	19,798	51,994
Charitable activities					
School running	5	2,200,779	-	2,200,779	2,267,011
Other trading activities	3	19,074	-	19,074	5,859
Investment income	4	<u>25,454</u>	<u>-</u>	<u>25,454</u>	<u>7,803</u>
Total		<u>2,260,115</u>	<u>4,990</u>	<u>2,265,105</u>	<u>2,332,667</u>
EXPENDITURE ON					
Raising funds	6	4,841	-	4,841	3,323
Charitable activities					
School running	7	2,146,218	21,965	2,168,183	2,107,151
Support costs		<u>26,505</u>	<u>-</u>	<u>26,505</u>	<u>28,656</u>
Total		<u>2,177,564</u>	<u>21,965</u>	<u>2,199,529</u>	<u>2,139,130</u>
NET INCOME/(EXPENDITURE)		82,551	(16,975)	65,576	193,537
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,806,734</u>	<u>188,664</u>	<u>1,995,398</u>	<u>1,801,861</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,889,285</u></u>	<u><u>171,689</u></u>	<u><u>2,060,974</u></u>	<u><u>1,995,398</u></u>

The notes form part of these financial statements

BALANCE SHEET
31 AUGUST 2023

	Notes	Unrestricted Funds £	Restricted Funds £	31.8.23 Total funds £	31.8.22 Total funds £
FIXED ASSETS					
Tangible assets	13	1,219,756	170,682	1,390,438	1,507,595
CURRENT ASSETS					
Stocks	14	184	-	184	454
Debtors	15	35,709	-	35,709	27,416
Cash at bank and in hand		<u>919,675</u>	<u>1,008</u>	<u>920,683</u>	<u>766,770</u>
		955,568	1,008	956,576	794,640
CREDITORS					
Amounts falling due within one year	16	(93,692)	-	(93,692)	(89,851)
NET CURRENT ASSETS		<u>861,876</u>	<u>1,008</u>	<u>862,884</u>	<u>704,789</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,081,632	171,690	2,253,322	2,212,384
CREDITORS					
Amounts falling due after more than one year	17	(192,348)	-	(192,348)	(216,986)
NET ASSETS		<u>1,889,284</u>	<u>171,690</u>	<u>2,060,974</u>	<u>1,995,398</u>
FUNDS	21				
Unrestricted funds				1,889,284	1,806,734
Restricted funds				<u>171,690</u>	<u>188,664</u>
TOTAL FUNDS				<u>2,060,974</u>	<u>1,995,398</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27 February 2024 and were signed on its behalf by:



C James - Trustee

STEP BY STEP SCHOOL LIMITED

**CASH FLOW STATEMENT
for the Year Ended 31 AUGUST 2023**

	Notes	31.8.23 £	31.8.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>178,842</u>	<u>289,621</u>
Net cash provided by operating activities		<u>178,842</u>	<u>289,621</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(26,773)	(64,450)
Interest received		<u>25,454</u>	<u>7,803</u>
Net cash used in investing activities		<u>(1,319)</u>	<u>(56,647)</u>
Cash flows from financing activities			
Loan repayments in year		<u>(23,610)</u>	<u>(29,573)</u>
Net cash used in financing activities		<u>(23,610)</u>	<u>(29,573)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		153,913	203,401
Cash and cash equivalents at the beginning of the reporting period		<u>766,770</u>	<u>563,369</u>
Cash and cash equivalents at the end of the reporting period		<u><u>920,683</u></u>	<u><u>766,770</u></u>

The notes form part of these financial statements

STEP BY STEP SCHOOL LIMITED

NOTES TO THE CASH FLOW STATEMENT for the Year Ended 31 AUGUST 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.23 £	31.8.22 £
Net income for the reporting period (as per the Statement of Financial Activities)	65,576	193,537
Adjustments for:		
Depreciation charges	143,761	146,258
Loss on disposal of fixed assets	169	128
Interest received	(25,454)	(7,803)
Decrease in stocks	270	447
Increase in debtors	(8,293)	(4,725)
Increase/(decrease) in creditors	<u>2,813</u>	<u>(38,221)</u>
Net cash provided by operations	<u><u>178,842</u></u>	<u><u>289,621</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22 £	Cash flow £	At 31.8.23 £
Net cash			
Cash at bank and in hand	<u>766,770</u>	<u>153,913</u>	<u>920,683</u>
	<u>766,770</u>	<u>153,913</u>	<u>920,683</u>
Debt			
Debts falling due within 1 year	(23,440)	(1,028)	(24,468)
Debts falling due after 1 year	<u>(216,986)</u>	<u>24,638</u>	<u>(192,348)</u>
	<u>(240,426)</u>	<u>23,610</u>	<u>(216,816)</u>
Total	<u><u>526,344</u></u>	<u><u>177,523</u></u>	<u><u>703,867</u></u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 AUGUST 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Improvements to property	-	in accordance with the property
Fixtures and fittings	-	33%, 25%, 20% and 12.5% on cost
Motor vehicles	-	25% on cost

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement..

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 AUGUST 2023

1. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Government grants

Government grants are recognised under the accrual model.

Government grants relating to revenue expenditure are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

Government grants include Coronavirus (COVID-19) National Testing Programme and Teachers' Pension Employer Contribution Grant

2. DONATIONS AND LEGACIES

	31.8.23	31.8.22
	£	£
Donations	18,120	22,927
Grants	<u>1,678</u>	<u>29,067</u>
	<u>19,798</u>	<u>51,994</u>

Grants received, included in the above, are as follows:

	31.8.23	31.8.22
	£	£
COVID grant	<u>1,678</u>	<u>29,067</u>

3. OTHER TRADING ACTIVITIES

	31.8.23	31.8.22
	£	£
School uniform sales	278	683
Other income	<u>18,796</u>	<u>5,176</u>
	<u>19,074</u>	<u>5,859</u>

4. INVESTMENT INCOME

	31.8.23	31.8.22
	£	£
Deposit account interest	<u>25,454</u>	<u>7,803</u>

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2023

5. INCOME FROM CHARITABLE ACTIVITIES

		31.8.23	31.8.22
	Activity	£	£
School fees	School running	<u>2,200,779</u>	<u>2,267,011</u>

6. RAISING FUNDS

Raising donations and legacies

	31.8.23	31.8.22
	£	£
Marketing	4,301	2,672
Fundraising fees	<u>270</u>	<u>-</u>
	<u>4,571</u>	<u>2,672</u>

Other trading activities

	31.8.23	31.8.22
	£	£
Opening stock	454	901
Purchases	-	204
Closing stock	<u>(184)</u>	<u>(454)</u>
	<u>270</u>	<u>651</u>

Aggregate amounts	<u>4,841</u>	<u>3,323</u>
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7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
School running	2,168,183	-	2,168,183
Support costs	<u>-</u>	<u>26,505</u>	<u>26,505</u>
	<u>2,168,183</u>	<u>26,505</u>	<u>2,194,688</u>

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 AUGUST 2023

8. SUPPORT COSTS

		Governance costs
		£
Support costs		<u>26,505</u>
	31.8.23	31.8.22
Governance costs	£	£
Auditors' remuneration	6,703	6,600
Auditors' remuneration for non audit work	4,044	3,390
Legal and professional fees	13,781	16,256
Clerk to the Governors	1,219	1,877
Governor training	383	432
Governor meeting cost	375	101
	26,505	28,656

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.23	31.8.22
	£	£
Auditors' remuneration	6,703	6,600
Other non-audit services	4,044	3,390
Depreciation - owned assets	143,761	146,258
Other operating leases	71,474	89,434
Deficit on disposal of fixed assets	<u>169</u>	<u>128</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

Trustees' expenses

Trustees' expenses totalling £375 was paid for the year ended 31 August 2023 and £121 for the year ended 31 August 2022.

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2023

11. STAFF COSTS

	31.8.23	31.8.22
	£	£
Wages and salaries	1,488,081	1,431,039
Social security costs	116,206	106,860
Other pension costs	<u>91,589</u>	<u>84,707</u>
	<u><u>1,695,876</u></u>	<u><u>1,622,606</u></u>

The average monthly number of employees during the year was as follows:

	31.8.23	31.8.22
Teaching and SALT staff	61	64
Administration staff	4	4
Driver	<u>1</u>	<u>1</u>
	<u><u>66</u></u>	<u><u>69</u></u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.8.23	31.8.22
£70,001 - £80,000	-	1
£80,001 - £90,000	<u>1</u>	<u>-</u>
	<u><u>1</u></u>	<u><u>1</u></u>

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	50,970	1,024	51,994
Charitable activities			
School running	2,267,011	-	2,267,011
Other trading activities	5,859	-	5,859
Investment income	<u>7,803</u>	<u>-</u>	<u>7,803</u>
Total	<u><u>2,331,643</u></u>	<u><u>1,024</u></u>	<u><u>2,332,667</u></u>
EXPENDITURE ON			
Raising funds	3,323	-	3,323
Charitable activities			
School running	2,086,367	20,784	2,107,151
Support costs	<u>28,656</u>	<u>-</u>	<u>28,656</u>
Total	<u><u>2,118,346</u></u>	<u><u>20,784</u></u>	<u><u>2,139,130</u></u>
NET INCOME/(EXPENDITURE)	213,297	(19,760)	193,537

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2023

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted Funds £	Restricted Funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	1,593,438	208,423	1,801,861
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>1,806,735</u>	<u>188,663</u>	<u>1,995,398</u>

13. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 September 2022	1,922,941	568,591	80,899	2,572,431
Additions	8,393	18,380	-	26,773
Disposals	<u>-</u>	<u>(23,846)</u>	<u>-</u>	<u>(23,846)</u>
At 31 August 2023	<u>1,931,334</u>	<u>563,125</u>	<u>80,899</u>	<u>2,575,358</u>
DEPRECIATION				
At 1 September 2022	527,814	456,564	80,458	1,064,836
Charge for year	96,270	47,050	441	143,761
Eliminated on disposal	<u>-</u>	<u>(23,677)</u>	<u>-</u>	<u>(23,677)</u>
At 31 August 2023	<u>624,084</u>	<u>479,937</u>	<u>80,899</u>	<u>1,184,920</u>
NET BOOK VALUE				
At 31 August 2023	<u>1,307,250</u>	<u>83,188</u>	<u>-</u>	<u>1,390,438</u>
At 31 August 2022	<u>1,395,127</u>	<u>112,027</u>	<u>441</u>	<u>1,507,595</u>

14. STOCKS

	31.8.23 £	31.8.22 £
Stocks	<u>184</u>	<u>454</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.23 £	31.8.22 £
Trade debtors	125	-
Other debtors	6,955	866
Prepayments and accrued income	<u>28,629</u>	<u>26,550</u>
	<u>35,709</u>	<u>27,416</u>

STEP BY STEP SCHOOL LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2023****16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.23	31.8.22
	£	£
Bank loans and overdrafts (see note 18)	24,468	23,440
Trade creditors	13,674	3,996
Social security and other taxes	21,375	23,523
Other creditors	7,679	7,480
Accruals and deferred income	<u>26,496</u>	<u>31,412</u>
	<u>93,692</u>	<u>89,851</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.23	31.8.22
	£	£
Bank loans (see note 18)	<u>192,348</u>	<u>216,986</u>

18. LOANS

An analysis of the maturity of loans is given below:

	31.8.23	31.8.22
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>24,468</u>	<u>23,440</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>25,493</u>	<u>24,409</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>83,410</u>	<u>79,862</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	83,445	112,715

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.8.23	31.8.22
	£	£
Within one year	68,958	69,113
Between one and five years	233,926	248,937
In more than five years	<u>133,782</u>	<u>189,577</u>
	<u>436,666</u>	<u>507,627</u>

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 AUGUST 2023

20. SECURED DEBTS

The following secured debts are included within creditors:

	31.8.23	31.8.22
	£	£
Bank loans	<u>216,816</u>	<u>240,426</u>

The charity has a pensions guarantee of £18,000 and a NatWest cash security for credit cards of £7,500.

There is a charge over cash deposit with no security limited by Natwest Bank plc and a debenture over all the assets of the company also held by NatWest Bank plc.

21. MOVEMENT IN FUNDS

	At 1.9.22	Net movement in funds	At 31.8.23
	£	£	£
Unrestricted funds			
General fund	1,684,303	95,668	1,779,971
Site Development	<u>122,431</u>	<u>(13,118)</u>	<u>109,313</u>
	1,806,734	82,550	1,889,284
Restricted funds			
DET Outdoor learning areas	27,981	(12,216)	15,765
Susan James Wing	155,386	(6,611)	148,775
Yurt and forest area	3,500	(1,200)	2,300
Forest seating area	700	(240)	460
Pupils resources	468	-	468
Forest School	629	(405)	224
Sensory Shelter	<u>-</u>	<u>3,698</u>	<u>3,698</u>
	<u>188,664</u>	<u>(16,974)</u>	<u>171,690</u>
TOTAL FUNDS	<u>1,995,398</u>	<u>65,576</u>	<u>2,060,974</u>

STEP BY STEP SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2023**

21. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,260,115	(2,164,447)	95,668
Site Development	-	(13,118)	(13,118)
	2,260,115	(2,177,565)	82,550
Restricted funds			
Other Equipment	720	(720)	-
DET Outdoor learning areas	(1)	(12,215)	(12,216)
Susan James Wing	-	(6,611)	(6,611)
Yurt and forest area	-	(1,200)	(1,200)
Forest seating area	-	(240)	(240)
Forest School	-	(405)	(405)
Sensory Shelter	4,271	(573)	3,698
	4,990	(21,964)	(16,974)
TOTAL FUNDS	<u>2,265,105</u>	<u>(2,199,529)</u>	<u>65,576</u>

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	1,457,889	226,414	1,684,303
Site Development	135,549	(13,118)	122,431
	1,593,438	213,296	1,806,734
Restricted funds			
Other Equipment	23	(23)	-
Musical Instruments	25	(25)	-
Wooden Spoon outside classroom	833	(833)	-
DET Outdoor learning areas	39,241	(11,260)	27,981
Susan James Wing	162,074	(6,688)	155,386
Yurt and forest area	4,700	(1,200)	3,500
Forest seating area	940	(240)	700
Pupils resources	587	(119)	468
Forest School	-	629	629
	208,423	(19,759)	188,664
TOTAL FUNDS	<u>1,801,861</u>	<u>193,537</u>	<u>1,995,398</u>

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 AUGUST 2023

21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,331,643	(2,105,229)	226,414
Site Development	-	(13,118)	(13,118)
	2,331,643	(2,118,347)	213,296
Restricted funds			
Other Equipment	-	(23)	(23)
Musical Instruments	-	(25)	(25)
Wooden Spoon outside classroom	-	(833)	(833)
DET Outdoor learning areas	1	(11,261)	(11,260)
Susan James Wing	-	(6,688)	(6,688)
Yurt and forest area	-	(1,200)	(1,200)
Forest seating area	-	(240)	(240)
Pupils resources	289	(408)	(119)
Forest School	734	(105)	629
	1,024	(20,783)	(19,759)
TOTAL FUNDS	<u>2,332,667</u>	<u>(2,139,130)</u>	<u>193,537</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.21 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General fund	1,457,889	322,082	1,779,971
Site Development	135,549	(26,236)	109,313
	1,593,438	295,846	1,889,284
Restricted funds			
Other Equipment	23	(23)	-
Musical Instruments	25	(25)	-
Wooden Spoon outside classroom	833	(833)	-
DET Outdoor learning areas	39,241	(23,476)	15,765
Susan James Wing	162,074	(13,299)	148,775
Yurt and forest area	4,700	(2,400)	2,300
Forest seating area	940	(480)	460
Pupils resources	587	(119)	468
Forest School	-	224	224
Sensory Shelter	-	3,698	3,698
	208,423	(36,733)	171,690
TOTAL FUNDS	<u>1,801,861</u>	<u>259,113</u>	<u>2,060,974</u>

STEP BY STEP SCHOOL LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued**
for the Year Ended 31 AUGUST 2023**21. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,591,758	(4,269,676)	322,082
Site Development	<u>-</u>	<u>(26,236)</u>	<u>(26,236)</u>
	4,591,758	(4,295,912)	295,846
Restricted funds			
Other Equipment	720	(743)	(23)
Musical Instruments	-	(25)	(25)
Wooden Spoon outside classroom	-	(833)	(833)
DET Outdoor learning areas	-	(23,476)	(23,476)
Susan James Wing	-	(13,299)	(13,299)
Yurt and forest area	-	(2,400)	(2,400)
Forest seating area	-	(480)	(480)
Pupils resources	289	(408)	(119)
Forest School	734	(510)	224
Sensory Shelter	<u>4,271</u>	<u>(573)</u>	<u>3,698</u>
	<u>6,014</u>	<u>(42,747)</u>	<u>(36,733)</u>
TOTAL FUNDS	<u><u>4,597,772</u></u>	<u><u>(4,338,659)</u></u>	<u><u>259,113</u></u>

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2023.