



THE NEXT STEP TRUST



Company Limited by Guarantee
FINANCIAL STATEMENTS
31 MARCH 2023

Company Registration Number: 05711840
Charity Registration Number: 1114197



Spenser Wilson
Chartered Accountants & Business Advisers

THE NEXT STEP TRUST
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2023

	PAGE
Trustees' annual report (incorporating the director's report)	1
Independent auditor's report to the members	12
Statement of financial activities (including income and expenditure account)	17
Statement of financial position	18
Statement of cash flows	19
Notes to the financial statements	20

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	The Next Step Trust
Charity registration number	1114197
Company registration number	05711840
Principal office and registered office	The Hoover Building Westfield Street Halifax West Yorkshire HX1 2DN
The Trustees	J S Mooney C Naylor M S Cawthorn L Stradeski J Walsh E J Pearson (Appointed 21 June 2023)
Auditor	Spenser Wilson Ltd Chartered Accountants & statutory auditor Equitable House 55 Pellon Lane Halifax West Yorkshire HX1 5SP
Bankers	CAF Bank 25 Kings Hill Avenue West Malling ME19 4JQ Barclays Bank Plc P O Box 14 Halifax West Yorkshire HX1 1BG

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS *(continued)*

Handelsbanken
Ground Floor
Fearnley Mill
Dean Clough Mills
Old Lane
Halifax
HX3 5WP

State Bank of India
Carlton House
18 Albert Square
Manchester
M2 5PE

Cambridge & Counties Bank
Charnwood Court
5B New Walk
Leicester
LE1 6TE

Solicitors

Wilkinson Woodward
11 Fountain Street
Halifax
West Yorkshire
HX1 1LU

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a charitable company limited by guarantee and was set up 16 February 2006. It is governed by a memorandum and articles of association. Its objects are to establish the provision of support and to provide opportunities for people with complex disabilities.

Organisation and Trustees

Trustees are to number a minimum of three persons with no maximum number. Trustees are subject to retirement by rotation at the annual general meeting of the Charity. One third of Trustees must retire at each such meeting on the basis of those who have been longest in office since their appointment or reappointment. Retiring Trustees are eligible for re-appointment. New Trustees are appointed at the recommendation of existing Trustees. Membership of the Charity is open to any individual or organisation that does not pose a conflict to the best interests of the Charity. When a new Trustee is appointed he/she is given a welcome pack which includes information relating to his/her responsibilities and details relating to the Charity.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

Organisation Structure

The Charity has a Board of 6 Trustees at the period end (1 of whom is a parent of a Next Stepper), and a Chief Executive Officer who oversees the day-to-day activity of the Charity and reports directly to the Board of Trustees. The staff comprise a further 77 employees (61 full time equivalents). The team includes an Operations Manager, Day Service Co-ordinator, 6 Lead Supports, Finance Officer, a catering team of 4 people, administrative staff and 1 apprentice. HR & Training Officer (resigned in November 2022). The majority of staff are dedicated to providing direct support to Next Steppers.

There is a Parents Forum that meets regularly (bi-annually) to provide feedback and advice to the Board and management of the Charity. The local advocacy service, Cloverleaf, have started to run some session with the next steppers, this will hopefully lead to an independent forum which informs us about the next steppers needs and dreams.

Volunteers

The Charity is grateful for the unstinting efforts of its volunteers who are involved in service provision and fund-raising. Current volunteers are involved in catering; we also encourage individuals to volunteer across roles including support and activities. The Charity has also provided work-placements for a number of young people, to gain experience in the sector as an aid to career selection and development, or as a personal development opportunity for employees of a particular company.

Risk assessment

Historically, the Charity was dependent upon funding grants and donations for its financial viability. These continue to be forthcoming from a number of sources. They are still actively pursued but more so for specific project led needs rather than to meet general cash flow consideration to ensure financial viability. The Trustees seek to ensure that the services provided are of the highest quality and its reputation maintained in order to attract such income

Due to the current economic climate there has been a significant change in the commissioning of social care nationally. With the government agenda that introduced personal budgets starting during 2013, there continues to be the potential of significant changes in how the Charity receives its income - for instance, funding previously provided by the Primary Care Trust is now provided by the Care Commissioning Groups now the ICB (Integrated Care Board), and there has been an increased take-up of Personal Health Budgets. This is an external risk for the Trust, and the situation continues to be closely monitored by the Trustees. There was an increase in funding for the Day Service of 6.5% on 1st April 2022. There has been a further increase from 1 April 2023 of 10%.

As a small Charity, most potential risks are of an internal nature, such as loss or illness of key staff or Next Steppers. The Charity seeks to identify and monitor risks in order to minimise the effect they may have on its activities. We have a Risk Register in place to evaluate potential risks and implement a contingency plan.

As we have been hearing on the news, councils neighbouring us have been in hardship and may be facing bankruptcy. This is a risk for us as we are funded by the Adult Care Services. We will be keeping a closer eye on this and will report if any such threats come up.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) (continued)

YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Covid-19

Through 2022/23 we have been in the process of working our way out of the Covid 19 measures as a response to the reduced risk of the illness. Also, all our next steppers and staff are now fully vaccinated and have had the first booster, supporting the lifting of some of the restrictions that have been in place since 2020.

Following the changing guidance through the year, the measures were eased, with reduced testing and monitoring. Also, some of the PPE usage was eased based on the activities and the environment. Since April 2023, we have suspended the requirement for vaccinations with the caveat that they could be reintroduced if the risk of Covid 19 increased. The Employee Contracts still include the requirement to be fully vaccinated but the policy has been suspended at this time.

The primary challenge over the last year has been to recruit good staff and further to keep motivation up when staff have been hit by the cost of living challenge on the back of the pandemic.

OBJECTIVES AND ACTIVITIES

The main object of the Charity is to provide support and opportunities to adults with complex disabilities and health needs.

The objectives can be summarised :-

- To have happier Next Steppers
- Be a financially healthy organisation.
- Demonstrate commitment to our mission through operational excellence.
- Inspire and embrace the wide world.

These objectives are met by a day service operating from four properties within Calderdale, with specialised facilities including a sensory room, a catering facility and provisions such as Respite and Outreach.

Activities are undertaken within the Charity properties and in the wider community facilitated by a fleet of specially adapted vehicles.

The core activities undertaken by the Next Steppers can be generally classified within the following headings:-

- | | |
|-------------------|---|
| • Therapy | - hydrotherapy, rebound, physiotherapy and spa |
| • Sensory | - sensory room and garden |
| • Active Pursuits | - sailing, canoeing, climbing, rambling |
| • In House | - life skills, arts and crafts, aromatherapy |
| • Community Based | - swim and gym, gardening, recycling, shopping, work experience |
| • Residential | - annual trips to Calvert Trust and Ribby Hall for residential stays. |

Further details can be found on the website of the Charity at www.nextsteptrust.org.uk.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES *(continued)*

All expenditure has supported the Charity's objectives and/or legal requirements.

The Trustees have considered the Charity Commission guidance on public benefit and consider that they have met their obligation by providing a broad spectrum of opportunities for adults with complex disabilities. In addition to the benefits to the Next Steppers, the Charity has benefitted the wider community by providing work-placements for a number of young people, to gain experience in the sector as an aid to career selection and development, or as a personal development opportunity.

STRATEGIC REPORT

The following sections for achievements and performance and financial review form the strategic report of the charity.

ACHIEVEMENTS AND PERFORMANCE

It was agreed that 2022 would be a year of consolidation, allowing us to ensure that the organisation invest time in training and nurturing staff to meet the needs of the next steppers. Also, enabling us to enhance the indoor activity provision including sensory and accessible equipment.

We continued to maintain a strong financial position which allows us to ensure we can invest in the facilities for the next steppers, Having 'happier next steppers' is central to our ethos. We have also been able to respond to the cost of living concerns that our staff face and are responsive to their needs as well.

Staff and recruitment

As previously mentioned, over the last year we have been dealing with the fallout of the pandemic. Added to this, the cost of living challenges that faced us made it harder to find the motivation that is needed to provide the best possible service for the next steppers. Having regular meetings with staff and allowing time for open conversations about what was working and not working went some way to pull the team together. The bigger challenge was to get the staffing ratios right without compromising on the values and skills we needed. This has been essential over the last year to support the team and ensure the next steppers are not compromised.

This year our staff turnover has been higher. The vaccination policy continued to have an impact, influencing one staff member's decision to leave; some staff moved on as they were struggling to cope with the complexity of the next steppers care and some seeking opportunities to get higher qualifications. Recruitment has taken up a lot of our time.

The HR and Training Officers' resignation prompted a review of the Senior Management Team and our requirements as we have grown as an organisation.

We are pleased to say that since October 2022, there has been a significant change in mood. The staffing ratios improved and we now have the correct staffing numbers plus cover for annual leave. The easing of the Covid 19 restrictions and suspending the requirement of the vaccine has also played a part in more interest in support work jobs.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

YEAR ENDED 31 MARCH 2023

ACHIEVEMENTS AND PERFORMANCE *(continued)*

For the remainder of this year (2023) we have taken the decision not to recruit, allowing the staff and next steppers to settle into their roles.

Pay was increased to reflect inflation in April 2023 by 10%, this was the entire enhancement given by the Council and we are proud to say that passing on the full 10% inflationary rise has made us one of the highest paying organisations in the care sector. We have continued to offer increased Annual Leave to acknowledge the time off sick people in the care sector were having to take due to Covid related isolation (which the Government stopped supporting in the Spring of 2022).

We are proud at NST to be offering the Real Living Wage (closer to the London equivalent) as per the Living Wage Foundation recommendations and to offer cost of Living support of £500 per staff spread over 5 months from November to April.

A review of the real cost of meals has been carried out. Unsurprisingly, there is a sharp increase in the cost of each meal. As we are currently in a comfortable financial position the Trustees have agreed to continue to subsidise meals not only for the next steppers but also for any staff who choose to have a hot meal at NST.

The Development Day in January 2023 allowed us the opportunity to consider why we work in the care sector; the charitable sector and more specifically at The Next Step Trust. We took the opportunity to get to know some of the new staff. There was also feedback on how the work spaces were working or not working for us. As always, it was a reflective and inspiring day.

Respite Project

Respite continues to be self-funding and income levels now exceed budgeted projections. The surplus has come primarily due to operating at low staffing levels. Since the end of this reporting period, we have invested in further renovations to improve the experience for the visiting individuals. As a part of the development, we are now actively looking to make internal changes to allow for a social area and have bought some external storage. The un-adopted road leading to the bungalow has been repaired and resurfaced at our expense to create better access.

Through the Service Development Group it was raised that there is a lot of interest in Respite since the pandemic. To cater to the higher demand we needed to ensure the correct staffing ratios and also explore the option of extending the bungalow to create an extra bedroom; more space for storage and an open plan living space to allow the staff to be closer to the next steppers while preparing and serving meals. We spent a majority of the year liaising with the architects, applying and getting planning permission and seeking quotes for the build.

Having had planning permission, we were then faced with the challenge of finding bats in the eaves. This required further investigation and possibly could jeopardise the extension.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

YEAR ENDED 31 MARCH 2023

ACHIEVEMENTS AND PERFORMANCE *(continued)*

Additionally, we started the year with a good staff ratio but due to personal circumstances one staff member had to leave and another was off sick for several weeks. Over a period of 6 months, it was clear that we were not attracting the same number of applicants to work at Respite as we were at the day service. This was as much to do with the 24 hour working pattern as the location, where it has been difficult to recruit in the Ripponden area. We continue to recruit at Respite but have to manage the occupancy levels according to the staff availability.

It has highlighted how vulnerable we were to these risks. Our current plan is therefore to look for a new respite property in Central Halifax rather than the Ryburn valley. In the meantime, our plans for extending the Ripponden bungalow have been modified with an internal upgrade being approved. This will allow us to create an improved open plan living space while we search for a suitable new property.

Hydrotherapy Pool

The hydrotherapy pool came into use from February 2022 and has transformed the lives of the Next Steppers. It has not only changed their experience while at the Day Service, but has had a lasting impact on the overall quality of their lives. Where in the past, we were lucky to be able to access one hydrotherapy session per week for the most vulnerable of our next steppers, now we are able to offer two sessions per week to all the next steppers.

The hydrotherapy pool faced a catastrophic failure in January 2023. It took Innova and their partners over ten weeks to fix the damage. Needless to say, this was detrimental to the next steppers health. It also had the side effect of pausing any plans we had of opening the pool to the wider community. Since April 2023, we are fully functional. We are hopeful that we will open the pool for external users in the new year.

Impact of COVID-19 on objectives and activities

With the further easing of restrictions during 2022 and the access to vaccinations, the next steppers were able to start accessing community activities. More activities opened their door and through the year, other than the rebound facilities, we were able to go back to most of the other community based activities.

This includes boxing, sailing, bikes, barge trips, bowling, horse riding. All but rebound are available to the next steppers. The Development day feedback was to continue to some inhouse activities that were started during the pandemic as they have been very popular with the next steppers. Continuing to meet our social aims and objectives, we have invested in more resources and amended the timetable to ensure a balance of activities is maintained. The commitment to keep contact with parents continues to be a priority, daily contact was maintained to check on the health and wellbeing of the next steppers.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

(continued)

YEAR ENDED 31 MARCH 2023

Environmental impact

As mentioned last year, we have not had to make many significant changes to our activities despite the increase in costs of utilities and fuel. A decision was taken to limit the mileage distance of excursions on the minibuses. This is not only to be cost effective but also for next stepper not to spend unnecessary time sat on a bus. It is also better for the environment! Having less 'trips out' allows for better indoor activities to be planned such as the Theatre Group; music therapy session; bingo days and outdoor sports sessions.

We now have a better idea about the cost of running the pool. Hiring it out as a community facility will support its upkeep.

The Next Step Trust has invested in dedicated recycling bins including food waste.

FINANCIAL REVIEW

Funding has been secured for many key areas of the Charity. The majority of income comes from publicly funded centre user's fees.

The Charity has a surplus for the year of £68,393 (2022 - £378,860).

Reserves policy

The Charity aims to maintain a level of reserves to ensure that uninterrupted services may continue in the event of short-term funding problems and also to maintain a level of reserves such that if the long-term survival of the Charity could not be sustained, staff redundancy payments and outstanding creditors could be met. Current centre running costs in terms of staffing and centre overheads are running at around £537,000 per quarter.

Total funds held by the charity were £2,445,385 (2022 - £2,376,992). Of these £1,458,272 (2022 - £1,506,349) can only be realised on the disposal of the Charity's fixed assets.

The Charity holds £972,845 (2022 - £865,643) in unrestricted current assets less liabilities. Of this, £224,593 (2022 - £60,627) has been designated by the Trustees for specific purposes. Of the funds held, £131,722 (2022 - £121,951) are restricted and not available for the general use of the Charity.,

The Trustees are of the opinion that funds held are adequate.

While this last year saw a significant dip in the surplus the Trust has had previously, this is reflective of the increase in the cost of all supplies and services and we have predicted this trend going forward. Though it is not predicted that we will be in financial hardship through it but we are unlikely to meet our reserves policy over the next couple of years.

If we have had a surplus, this is due to having lower staffing numbers than projected due to the recruitment challenges we have been facing. As our staffing numbers normalise we may see a further reduction in the surplus.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

YEAR ENDED 31 MARCH 2023

PLANS FOR FUTURE PERIODS

The Next Step Trust continues to be more successful than was ever originally anticipated. Now, having just reached our 17th birthday, the demand for services is forecast to continue increasing for the foreseeable future.

The successful installation of the Hydrotherapy pool has been the pinnacle of our achievement in the recent past. Having developed this through the peak of the pandemic and against the odds of Brexit and a growing cost of living crisis was no mean feat. We are also pleased that the wall thanking and acknowledging all the contributors to the success of this resource is now complete!

Looking beyond this and coming out of the worst of the pandemic, it is paramount to focus on the quality of the service being provided. Ensuring the next steppers get access to the activities and therapies that they want and need is the focus of our year. Training staff not only in the essential mandatory requirements but also on the values and objectives of the organisation was the objective during 2022/23. It is now essential for us to upgrade our communication resources, both physical and software/IT based and we are actively engaged in looking at options.

The Board of Trustees have reviewed the NST Strategy for the next three years. The main areas of discussion were:

Ensuring robust Governance - since the year end we have been fortunate to recruit a new Trustee to the Board following a trial in 202/23. There is still a gap for another parent trustee and preferably someone with a finance background. We have been fortunate to have a parent involved with the Service Development Group and another one possibly attending the Finance Committee who may be possible recruits to the trustee board.

The appointment of a Senior HR & People Development Manager in May 2023 not only addressed the HR requirements of a larger staff team but also gave The Next Step Trust the opportunity to consider staff development opportunities in line with the needs of the next steppers. A Senior Manager working alongside the Operations Manager also adds resilience to the team and allows for more robust decision making.

The capacity to continue to accept new next steppers was deliberated. It was agreed that if while we have both physical and personnel capacity we would continue to accept referrals, but may have a waiting list if the numbers exceeded three full time equivalent. This would also ensure we remained dynamic and progressive.

Another important concern was NST being appropriate as a service for older next steppers. It was agreed that more than age, it was the interests and health of the next steppers that should determine the appropriateness of the service for this. Therefore, Person Centred Plan reviews will be used to determine any changing needs and how NST can respond to these.

We are also looking to invest in 'softer' areas both to build the capacity of the team and support them to be more effective in using their time given the demands on their day supporting the complex needs of the next steppers. This includes investment in care related software; IT equipment; communication technology. We need to make life easier for the team where possible!

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

YEAR ENDED 31 MARCH 2023

PLANS FOR FUTURE PERIODS *(continued)*

The plans for the future include the development of respite to not only offer short breaks for the next steppers but possibly offer the option of transition to supported accommodation.

We have also seen an increase in next steppers with more complex health issues. We are therefore looking at the recruitment of a part time qualified nurse to ensure that we are able meet their needs.

We also aim to offer the hydrotherapy for community use. Initially, to individuals who would benefit most, such as people with physical disabilities and those who are rehabilitating.

The next step holidays have been very popular over the last 10 years. More and more next steppers are requesting to go away. We would like to explore the options of different holiday offers such as cruises; seaside breaks along with the residential activity breaks.

A rebound trampoline facility was discussed at the development day, though our preference is to use community services where possible, it is now not possible to get accessible rebound for our next steppers. The Service Development Group recommended we look at developing this on one of our sites and the Board gave us the go ahead to put a proposal forward...this is ongoing.

We are also looking to get an audit of the spaces we use to understand if we can be more effective. This includes the actual space in the buildings and the accessible equipment that we use.

At the Next Step Trust, we never forget that it is through the dedication, resilience, friendship and kindness of our staff team that all we do is achieved. To this end, another main focus for us in the coming year is to further review the terms and conditions we can offer to staff, as we strive to be the best employer we can be and do all we can to look after the wellbeing of our highly-skilled and highly-dedicated team.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) (continued)

YEAR ENDED 31 MARCH 2023

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


AUDITOR

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 13 December 2023 and signed on behalf of the board of trustees by:

J S Mooney
Trustee



C Naylor
Trustee



THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NEXT STEP TRUST

YEAR ENDED 31 MARCH 2023

OPINION

We have audited the financial statements of The Next Step Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NEXT STEP TRUST *(continued)*

YEAR ENDED 31 MARCH 2023

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

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 trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NEXT STEP TRUST *(continued)*

YEAR ENDED 31 MARCH 2023

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

THE NEXT STEP TRUST
COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NEXT STEP TRUST *(continued)*

YEAR ENDED 31 MARCH 2023

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS
(continued)

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- inquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators including the Care Quality Commission.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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 auditor's report.

THE NEXT STEP TRUST

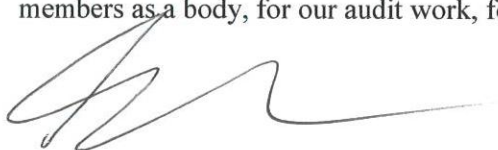
COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NEXT STEP TRUST *(continued)*

YEAR ENDED 31 MARCH 2023

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



SALLY SHACKLOCK BA FCA (Senior Statutory Auditor)

For and on behalf of
Spenser Wilson Ltd
Chartered Accountants & statutory auditor
Equitable House
55 Pellon Lane
Halifax
West Yorkshire
HX1 5SP

13 December 2023

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2023

			2023		2022
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	2,915	15,761	18,676	215,387
Charitable activities	6	2,192,237	–	2,192,237	2,099,376
Other trading activities	7	365	–	365	1,041
Investment income	8	5,713	–	5,713	188
Total income		<u>2,201,230</u>	<u>15,761</u>	<u>2,216,991</u>	<u>2,315,992</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	29	–	29	–
Expenditure on charitable activities	10,11	2,142,579	5,990	2,148,569	1,937,132
Total expenditure		<u>2,142,608</u>	<u>5,990</u>	<u>2,148,598</u>	<u>1,937,132</u>
Net income and movement in funds		<u>58,622</u>	<u>9,771</u>	<u>68,393</u>	<u>378,860</u>
Reconciliation of funds					
Total funds brought forward		2,255,041	121,951	2,376,992	1,998,132
Total funds carried forward		<u>2,313,663</u>	<u>131,722</u>	<u>2,445,385</u>	<u>2,376,992</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 20 to 31 form part of these financial statements.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

(Company Registration Number: 05711840)

STATEMENT OF FINANCIAL POSITION

31 MARCH 2023

		2023		2022	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	17		1,458,272		1,506,349
CURRENT ASSETS					
Debtors	18	242,963		217,269	
Cash at bank and in hand		853,580		767,990	
		<u>1,096,543</u>		<u>985,259</u>	
CREDITORS: amounts falling due within one year	19	<u>109,430</u>		<u>114,616</u>	
NET CURRENT ASSETS			<u>987,113</u>		<u>870,643</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,445,385</u>		<u>2,376,992</u>
NET ASSETS			<u>2,445,385</u>		<u>2,376,992</u>
FUNDS OF THE CHARITY					
Restricted funds			131,722		121,951
Unrestricted funds			2,313,663		2,255,041
Total charity funds	21		<u>2,445,385</u>		<u>2,376,992</u>

These financial statements were approved by the board of trustees and authorised for issue on 13 December 2023, and are signed on behalf of the board by:

J S Mooney
Trustee



C Naylor
Trustee



The notes on pages 20 to 31 form part of these financial statements.

THE NEXT STEP TRUST
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	68,393	378,860
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	51,293	59,583
Other interest receivable and similar income	(5,713)	(188)
Interest payable and similar charges	298	201
Accrued expenses	14,929	3,592
<i>Changes in:</i>		
Trade and other debtors	(25,694)	(33,654)
Trade and other creditors	(20,115)	39,921
Cash generated from operations	83,391	448,315
Interest paid	(298)	(201)
Interest received	5,713	188
Net cash from operating activities	88,806	448,302
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(3,216)	(289,877)
Proceeds from sale of tangible assets	–	1,290
Net cash used in investing activities	(3,216)	(288,587)
NET INCREASE IN CASH AND CASH EQUIVALENTS	85,590	159,715
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	767,990	608,275
CASH AND CASH EQUIVALENTS AT END OF YEAR	853,580	767,990

The notes on pages 20 to 31 form part of these financial statements.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Hoover Building, Westfield Street, Halifax, West Yorkshire, HX1 2DN.

2. STATEMENT OF COMPLIANCE

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

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

As noted in the Trustees' report, councils neighbouring Calderdale have been in hardship and may be facing bankruptcy. Whilst there are no indications that Calderdale Metropolitan Borough Council, who provide a large proportion of the charity's funding, is experiencing any such difficulties, the Trustees continue to keep the threat under review.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are not considered to be any key judgments or estimates.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

3. ACCOUNTING POLICIES *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

3. ACCOUNTING POLICIES *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 2% straight line
Fixtures and fittings	- 20% straight line
Motor vehicles	- 25% reducing balance
Equipment	- 33.33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. LIMITED BY GUARANTEE

The Charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
DONATIONS			
Individuals	328	13,261	13,589
Corporate donors	—	—	—
GRANTS			
Grants receivable	2,587	2,500	5,087
	<u>2,915</u>	<u>15,761</u>	<u>18,676</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
DONATIONS			
Individuals	7,208	9,098	16,306
Corporate donors	—	5,000	5,000
GRANTS			
Grants receivable	113,562	80,519	194,081
	<u>120,770</u>	<u>94,617</u>	<u>215,387</u>

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Support fees	1,451,998	1,451,998	1,384,048	1,384,048
Access fees	532,008	532,008	484,536	484,536
Respite fees	143,669	143,669	161,885	161,885
Transport fees	43,293	43,293	44,806	44,806
Outreach fees	1,343	1,343	4,230	4,230
Dinner money	19,926	19,926	19,871	19,871
	<u>2,192,237</u>	<u>2,192,237</u>	<u>2,099,376</u>	<u>2,099,376</u>

7. OTHER TRADING ACTIVITIES

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Fundraising events	365	365	1,041	1,041

THE NEXT STEP TRUST
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

8. INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Bank interest received	5,713	5,713	188	188

9. COSTS OF OTHER TRADING ACTIVITIES

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Costs of fundraising activities	29	29	—	—

10. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Charitable activities	1,920,719	5,990	1,926,709
Support costs	221,860	—	221,860
	<u>2,142,579</u>	<u>5,990</u>	<u>2,148,569</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Charitable activities	1,710,796	27,851	1,738,647
Support costs	198,485	—	198,485
	<u>1,909,281</u>	<u>27,851</u>	<u>1,937,132</u>

11. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	Total funds 2023	Total fund 2022
	£	£	£	£
Charitable activities	1,926,709	194,774	2,121,483	1,910,343
Governance costs	—	27,086	27,086	26,789
	<u>1,926,709</u>	<u>221,860</u>	<u>2,148,569</u>	<u>1,937,132</u>

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

12. ANALYSIS OF SUPPORT COSTS

	Total 2023	Total 2022
	£	£
Staff costs	178,732	157,336
General office	15,743	14,157
Finance costs	298	200
Governance costs	16,338	14,825
Audit, accountancy & bookkeeping	6,814	7,250
Office & administrative	3,935	4,717
	<u>221,860</u>	<u>198,485</u>

13. NET INCOME

Net income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	<u>51,293</u>	<u>59,583</u>

14. AUDITORS REMUNERATION

	2023	2022
	£	£
Fees payable for the audit of the financial statements	<u>3,300</u>	<u>3,180</u>
Fees payable to the charity's auditor and its associates for other services:		
Other non-audit services	<u>3,209</u>	<u>3,348</u>

15. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	1,629,252	1,408,963
Social security costs	131,191	105,299
Employer contributions to pension plans	34,903	30,688
	<u>1,795,346</u>	<u>1,544,950</u>

THE NEXT STEP TRUST
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

15. STAFF COSTS *(continued)*

The average head count of employees during the year was 75 (2022: 75). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Management and administration staff	8	8
Support workers	49	47
Catering and caretaking	4	4
	<u>61</u>	<u>59</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2023	2022
	No.	No.
£60,000 to £69,999	<u>1</u>	<u>—</u>

Key Management Personnel

Key management personnel, as detailed in the Trustees' Annual Report, received total remuneration of £118,176 (2022: £107,395) in the year.

16. TRUSTEE REMUNERATION AND EXPENSES

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

No trustee expenses have been incurred.

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

17. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 April 2022	1,700,593	214,264	225,020	98,822	2,238,699
Additions	—	—	—	3,216	3,216
At 31 March 2023	1,700,593	214,264	225,020	102,038	2,241,915
Depreciation					
At 1 April 2022	268,618	171,672	202,476	89,584	732,350
Charge for the year	31,025	7,460	5,636	7,172	51,293
At 31 March 2023	299,643	179,132	208,112	96,756	783,643
Carrying amount					
At 31 March 2023	1,400,950	35,132	16,908	5,282	1,458,272
At 31 March 2022	1,431,975	42,592	22,544	9,238	1,506,349

18. DEBTORS

	2023 £	2022 £
Trade debtors	211,098	192,676
Prepayments and accrued income	31,865	24,593
	242,963	217,269

19. CREDITORS: amounts falling due within one year

	2023 £	2022 £
Trade creditors	23,141	80,350
Accruals and deferred income	46,272	31,343
Social security and other taxes	31,208	—
Pension	5,886	—
Other creditors	2,923	2,923
	109,430	114,616

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

20. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £34,903 (2022: £30,688).

21. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	1 April 2022 £	Income £	Expenditure £	Transfers £	31 March 2023 £
General funds	2,194,414	2,201,230	(2,112,574)	(194,000)	2,089,070
Buildings Fund	2,377	–	(27,194)	168,000	143,183
Minibus Fund	58,250	–	(2,840)	26,000	81,410
	<u>2,255,041</u>	<u>2,201,230</u>	<u>(2,142,608)</u>	<u>–</u>	<u>2,313,663</u>

	1 April 2021 £	Income £	Expenditure £	Transfers £	31 March 2022 £
General funds	1,576,328	2,168,825	(1,550,739)	–	2,194,414
Buildings Fund	248,619	44,300	(358,542)	68,000	2,377
Minibus Fund	118,000	8,250	–	(68,000)	58,250
	<u>1,942,947</u>	<u>2,221,375</u>	<u>(1,909,281)</u>	<u>–</u>	<u>2,255,041</u>

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

21. ANALYSIS OF CHARITABLE FUNDS *(continued)*

Restricted funds

	1 April 2022 £	Income £	Expenditure £	Transfers £	31 March 2023 £
Action Halifax	3,889	—	(88)	—	3,801
HBOS	1,027	—	(32)	—	995
Lord Taverners	7,848	—	(1,962)	—	5,886
Hydrotherapy Pool	104,096	2,500	(2,124)	—	104,472
Bearder Charity	191	—	(191)	—	—
Calvert Trust	—	13,261	(1,493)	—	11,768
Screwfix Foundation	4,900	—	(100)	—	4,800
	<u>121,951</u>	<u>15,761</u>	<u>(5,990)</u>	<u>—</u>	<u>131,722</u>

	1 April 2021 £	Income £	Expenditure £	Transfers £	31 March 2022 £
Action Halifax	5,029	—	(1,140)	—	3,889
HBOS	1,059	—	(32)	—	1,027
Lord Taverners	8,534	—	(686)	—	7,848
Provident Insurance	797	—	(797)	—	—
Wilkinson Woodward	3,906	—	(3,906)	—	—
Garden Swing	1,478	—	(1,478)	—	—
Hydrotherapy Pool	32,220	74,000	(2,124)	—	104,096
Bearder Charity	2,162	—	(1,971)	—	191
Calvert Trust	—	9,098	(9,098)	—	—
CMBC COVID 19	—	4,519	(4,519)	—	—
Respite Hoist	—	2,000	(2,000)	—	—
Screwfix Foundation	—	5,000	(100)	—	4,900
	<u>55,185</u>	<u>94,617</u>	<u>(27,851)</u>	<u>—</u>	<u>121,951</u>

THE NEXT STEP TRUST

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

21. ANALYSIS OF CHARITABLE FUNDS *(continued)*

The general fund represents the free funds of the Charity which are not designated for particular purposes.

The designated funds represent the following:

The designated funds represent the following:

- | | |
|-----------------------|--|
| Buildings fund | - funds set aside for the improvement of the existing premises or the deposit on new premises. |
| Minibus fund | - the net book value of assets held plus funds set aside for the purchase of further vehicles. |
| Staff pension & bonus | - money accumulated towards future staff costs. |

The following restricted funds represent the net book value of the capital facilities for which they were provided. The fund balances are reduced by the depreciation charged on the facility.

- | | |
|------------------------------|---|
| Action Halifax | - Various capital items |
| The Lord's Taverners Charity | - Contributions to minibuses |
| Provident Insurance | - Contribution to vehicle YJ59 FWZ |
| HBOS | - Conservatory (part) |
| Bearder Charity | - Hoist |
| Hydrotherapy Pool | - Hydrotherapy pool |
| Screwfix Foundation | - Alterations and widening of the car park entrance gate. |

The following funds represent balances in respect of grants and donations made for specific purposes relating to the ongoing costs of the Charity:-

- | | |
|---------------------------|-----------------------------------|
| Wilkinson Woodward - | - Towards activities |
| Garden Swing - | - Garden area |
| Calvert Trust | - Residential holidays |
| Lottery Infection Control | - Reducing the spread of Covid-19 |
| CFFC Covid-19 | - Reducing the spread of Covid-19 |
| Respite Hoist | - Sensory room |

THE NEXT STEP TRUST
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2023

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	1,340,818	117,454	1,458,272
Current assets	1,082,275	14,268	1,096,543
Creditors less than 1 year	(109,430)	—	(109,430)
Net assets	2,313,663	131,722	2,445,385

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	1,384,398	121,951	1,506,349
Current assets	980,259	5,000	985,259
Creditors less than 1 year	(114,616)	—	(114,616)
Net assets	2,250,041	126,951	2,376,992

23. ANALYSIS OF CHANGES IN NET DEBT

	1 Apr 2022 £	Cash flows £	31 Mar 2023 £
Cash at bank and in hand	767,990	85,590	853,580

24. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
Not later than 1 year	20,700	21,698
Later than 1 year and not later than 5 years	85,575	68,000
Later than 5 years	5,667	22,667
	111,942	112,365

25. RELATED PARTIES

Rent of £12,500 (2022: £12,188) was paid to Community Foundation for Calderdale, a charitable company of which one of the Chief Executive Officer is also a director and trustee.

Rent and service charges of £nil (2022: £39,396) was paid to Eureka! The National Children's Museum, a charitable company of which one of the trustees is also a director and trustee.