

Charity Registration No. 1136997

Company Registration No. 07257957 (England and Wales)

STICK 'N' STEP

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

STICK 'N' STEP

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Hewitt	
	P Richards	
	R Shorthouse	
	A James	
	F Davies	
	D Upton	
	A Harris	
	E Palmer	(Appointed 10 December 2020)
Charity number	1136997	
Company number	07257957	
Principal address	3 Croxteth Avenue Wallasey Merseyside CH44 5UL	
Registered office	3 Croxteth Avenue Wallasey Merseyside CH44 5UL	
Independent examiner	Mitchell Charlesworth LLP Glebe Business Park Lunts Heath Road Widnes Cheshire WA8 5SQ	

STICK 'N' STEP

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STICK 'N' STEP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their annual report and financial statements for the year ended 31 August 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Our Purpose

We enable, inspire and support children with cerebral palsy and their families.

Who we are

Stick 'n' Step provide free conductive education sessions to children with cerebral palsy. Our support improves mobility, independence and boosts self-confidence, enabling every child to reach their personal potential.

Conductive education is about active learning. Stick 'n' Step sessions incorporate play and music into structured routines to develop functional skills. Children and young people are motivated by working alongside their peers in a positive environment and are empowered to achieve realistic goals that are specific and relevant to them.

At Stick 'n' Step we support the whole family. Regular attendance at our centre means that parents and extended family have the opportunity to meet others in a similar situation and they benefit from regular respite time whilst their children develop in the classroom.

Leo's Story

"Seeing Leo walk was better than winning the lottery"

Six-year-old Leo has attended Stick 'n' Step since he was 3 and when Mum Emma first brought him for his initial consultation, she says she always hoped to see Leo walk, but she didn't know whether it would ever happen. Emma brought Leo to Stick 'n' Step when he was two and a half to talk to the CE team and get an idea of how they might be able to help. A place became available about six months later. At this point Emma had not been given a specific diagnosis, other than being told that Leo had Global Developmental Delay which encompassed a range of difficulties with Leo's development. Emma said "I was told Leo had low muscle tone, epilepsy, and a learning disability. He wasn't gaining weight, had an enlarged head due to macrocephaly and also had nystagmus, resulting in involuntary eye movements which can make it difficult for Leo to focus on anything more than 6 metres away." Emma didn't receive the official diagnosis of Leo's condition until a month before he was four years old when she was told that Leo had a rare genetic disorder referred to as KPTN.

Leo settled in well at Stick 'n' Step and although Emma's dream was to see him walk, she described his progress in the first couple of years as being 'almost at a snail's pace'. At five years old Leo hadn't taken a single step although he had learned to stand using a walking frame. A few months after that he started to take a few steps holding the parallel bars, but nothing could have prepared Emma for the feeling of total joy when she came back to the centre to learn that Leo had taken his first independent steps. She said "There really are no words to describe how I felt at that moment. Because of Covid, parents couldn't use the Family Room which is where I normally sat with a coffee and watched Leo's session on the TV screen, so I'd gone for a run. When I got back to the centre the classroom team told me – and even better than that – they had captured it all on video for me. I just collapsed against the wall and cried tears of joy. It really was better than winning the Lottery".

STICK 'N' STEP

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

FOR THE YEAR ENDED 31 AUGUST 2021



The classroom team at Stick 'n' Step are working on developing Leo's skills to help him learn how to feed himself. Currently Emma still has to spoon feed him and she has praised the staff for their 'ingenious' methods which include holding a mirror up in front of Leo and then standing behind him and operating his arms to demonstrate the movements he needs to copy. "No other therapist or physio has even given me the sort of practical advice, hints and tips that the classroom team at Stick 'n' Step have. Although his self-feeding goal, and goal of taking the first steps towards toilet training, have been delayed a bit due to Covid, and the subsequent restrictions imposed on the classroom team, I know that as soon as they are able to, they will start working on these areas again with Leo. During the pandemic and the various period of lockdown, Stick 'n' Step continued to provide us with regular support. They dropped off equipment for us to use and were there to help in any way they could which was amazing, especially when we learned that Leo's physio sessions had been put on hold at the Royal School for the Blind in Liverpool where he now attends full time."

When asked what Leo enjoys most about coming to Stick 'n' Step Emma said without any hesitation that it is the music which motivates him. Although non-verbal, Leo loves the singing and the rhythmic music that accompanies many of the tasks and activities the children do in their weekly sessions. He is fascinated by all types of music and at home can be regularly seen tapping to music.

Emma feels especially grateful to her friend for telling her about Stick 'n' Step. She says the charity has made the world of difference to Leo and to our whole family. "Leo's confidence has grown, and I totally credit Stick 'n' Step staff with getting him walking. The repetitive routines and the way sessions are structured are really helping Leo to learn new skills which I hope can give him some independence in the future. We can't thank you enough."

Achievements and performance

The trustees are pleased to report that despite the difficulties presented by the pandemic it has been a strong year for Stick 'n' Step. In September 2020 we were able to resume face-to-face support with our children and young people, provision that was greatly needed after 5 months of supporting our families remotely. Unfortunately, the face-to-face sessions were short lived for our teenage groups, in October 2020 these reverted to online video sessions due to the government restrictions at the time. And in the early months of 2021 most of our children reverted to online video sessions, although we continued with face-to-face provision for under 5s and for children who had recently undergone surgery to enable them to regain mobility.

Whether our families have accessed our services in person at our centres or via online sessions, we know that it has been critical to receive this continued support throughout such an uncertain and challenging time.

'After everything was paused due to Covid, Stick 'n' Step continued to provide their weekly sessions over zoom, something our family will always be grateful for. Our son was able to see his friends and key worker who went the extra mile not only to make the sessions as normal as possible, but also by calling us to see how we were getting on and sending us personalised detailed plans on exercises we can do in between sessions.'

STICK 'N' STEP

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

FOR THE YEAR ENDED 31 AUGUST 2021

The Stick 'n' Step staff team have risen to every challenge, showing incredible dedication and adaptability, it has been fantastic to see what has been achieved at every stage of the various restrictions, we have certainly grown as a team throughout this period.

Throughout the year, a total of 103 families were supported by our committed team of staff and volunteers. The breakdown in terms of the age of children attending over the year was:

Pre-school (0-4) - 18

Primary (5-11) - 52

Secondary (12-16) - 21

Young adults (17+) - 12

Demand for our services remains high, at the end of August 2021 we had 20 families awaiting a place at Stick 'n' Step. The support service we offer is specialist, regular and free to access and there is a real need for it. We hope to be able to offer places to those on the waiting list next year so the children can start making progress towards their goals.

Staff completed specific training courses to maintain knowledge and best practice across the organisation, this included paediatric first aid, mental health first aid, Makaton, safeguarding training and two senior members of staff completed the designated safeguarding lead training. One of our conductors completed the train the trainer course for manual handling and subsequently delivered manual handling training to our CE team.

Volunteers remained a key part of the organisation, continuing to contribute to the smooth running of our sessions, key fundraising events as well as behind the scenes at each of our centres. The total amount of volunteering time over the year was 785 hours.

We are incredibly grateful to the continued support of the Steve Morgan Foundation who have made another significant contribution to the charity by funding an outdoor classroom for our Runcorn centre as well as committing substantial funds to enable our services in Cheshire. The new outdoor classroom space means we can take the teaching outdoors and the children can practice their skills and play outside, and because we have a canopy, we can go out no matter what the weather is.

In a year where we have had to continue to adapt our services and support families in a hybrid way, we are especially pleased that our annual family survey demonstrated that we continued to make a significant impact in the lives of the children and young people we support, as well as their wider families.

- 89% of families felt that their child's independence had improved
- 96% of families felt that their child's confidence had improved
- 100% of families have trust and confidence in our professional conductors
- 97% of families felt that their child is working towards goals that are challenging but realistic
- 99% of families felt supported by Stick 'n' Step throughout lockdown periods

STICK 'N' STEP

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

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

The year to 31 August 2021 has been a challenging but successful year financially for Stick 'n' Step. COVID-19 has continued to have significant impact on our community and events fundraising, we lost income in these areas due to ongoing restrictions affecting fundraising activities and events throughout the year. We have been successful in securing a number of COVID-19 related emergency grants which stabilised our cash flow for the year.

The charity received income of £727,183 for the year (2020 - £720,193). Expenditure during the year was £675,634 (2020 - £643,498), of this £556,596 (2020 - £523,052) was spent on the direct activities for providing conductive education services to disabled children and young people.

Depreciation charged in the year amounted to £44,578, for our land and buildings and fixtures, fittings and equipment. This continues to be sizeable cost for the organisation as a result of the significant capital investment in 2017 and further capital expenditure in 2020-21.

This has resulted in a £51,549 surplus for the year to August 31, 2021, and results in our unrestricted reserves being held at £251,663. This remains a strong financial platform for the charity to continue to provide vital specialist support to families across the North West of England. Strong financial governance from trustees and management, combined with continued growth in community and corporate fundraising income will be critical for Stick 'n' Step to consolidate this position in what we expect to be an extremely challenging fundraising environment in 2021-22.

Paul Richards, Treasurer

Reserves Policy

Trustees recognise that there are risks associated with each stream of income and expenditure being different from that budgeted, which has the potential for significant impact on reserve levels. Having a reserves policy equivalent to a range of months of operating costs enables trustees to monitor and manage this risk and allows time to develop new sources of income or cut-back on related expenditure if needed.

The trustees have resolved to keep reserve funds in the range of three to six months of operating costs based on the current year's expenditure. Based on this year's expenditure, three months of operating costs equates to £168,908 and the board will manage expenditure to ensure reserves do not drop below this level. Monthly management accounts are produced and examined by the chair and the treasurer, further scrutiny of the financial position is monitored at board meetings. The board believes that reserves should be kept at this level to ensure the charity can run efficiently and meet the needs of its on-going service, whilst ensuring that funding is driven to the front line of our work as quickly and readily as possible.

Investment policy

Stick 'n' Step does not currently hold any free reserves in investments, however funds which are surplus to that required for day-to-day expenditure are held in a different savings account.

STICK 'N' STEP

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

FOR THE YEAR ENDED 31 AUGUST 2021

Risk Management

The charity upholds a risk policy, as a formal acknowledgement that the trustee board is committed to maintaining a strong risk management framework. The aim of this policy is to ensure that the charity makes every effort to manage risk appropriately.

The policy outlines the risk management strategy, which comprises:

- A consistent framework and protocol for determining appetite for and tolerance of risk
- An annual review of the risks the charity may face within the charity's risk register
- The establishment of systems and procedures to mitigate the risks identified
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise

Management of risk is an integral part of our planning and project management processes, with risks identified and assessed as we develop our plans each year. The major risks that have been identified and are mitigated are as follows:

1. Poor quality service causes harm to a service user or member of staff.

Mitigation: Annual assessment of staff training needs with specific focus on safeguarding and first aid. The charity now has three members of staff trained as Designated Safeguarding Officers. Activity specific risk assessments are completed and reviewed annually. Staff have completed safeguarding, paediatric first aid and manual handling training to continually refresh and update knowledge and skills.

2. Insufficient funds raised causing interruption to operational service and progress of strategic aims.

Mitigation: Monthly monitoring between CEO and the treasurer, including cash flow forecasting to ensure there is an up-to-date forecast of the charity's financial position to the end of the financial year. We review our reserves policy and long-term financial plans annually to ensure that they remain relevant and keep reflecting the charity's current status.

3. Brexit deterring international conductors (our specialist teachers) from working in the UK

Mitigation: Our Chief Executive is a committee member of the Conductive Education (CE) Consortium UK which bring together CE centres across the UK, this has strengthened our network. Training is in place to enable our conductors to train and mentor students studying their CE degree in the UK. We have an application pending to become a licensed sponsor under the skilled worker immigration route, this will enable Stick 'n' Step to recruit skilled workers from outside of the UK.

4. COVID-19

Mitigation: Following a lengthily period of homeworking, most of our staff have returned to working in our centres. Thorough risk assessments have been completed to ensure we operate within COVID-19 secure guidelines. We have also developed a Coronavirus Policy which is signed by all staff and parents, this is reviewed every half-term to ensure our practice remains relevant and up to date with the latest guidelines. Some of our staff are still working from home to ensure there is enough space for social distancing in the centres.

STICK 'N' STEP

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

FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

The charity is a company limited by guarantee.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

As its main activity, the charity must have charitable purposes or 'aims' that are for the public benefit. The Charities Act 2011 provides specific descriptions of charitable purposes that are for public benefit and the category that our work falls into is the 'relief of those in need because of youth, age, ill-health, disability, financial hardship or other disadvantage'.

The objects as stated in our Articles of Association (18th May 2010) are:

To advance the education and relieve suffering of primarily children with motor disorders and provide information, advice and guidance to their families and carers in particular by means of conductive education.

Stick 'n' Step have families travelling from across the North West of England and North Wales to access our support.

C Hewitt

P Richards

R Shorthouse

A James

F Davies

D Upton

A Harris

E Palmer

(Appointed 10 December 2020)

Trustee recruitment and appointment

An annual review of the trustees' attendance and professional knowledge is carried out to ensure that a broad range of skills and experience is available to guide and govern the charity. This process identifies any skills gaps, which enables the charity to address these via recruitment of new trustees. Trustee positions are advertised through the charity's website, its network of supporters and via external channels (Doit.org/Reach Volunteering). All candidates are asked to submit their CV and a statement of support to show why they want to take the position. All candidates meet with the Chief Executive and the trustee selection panel, before a proposal is agreed by the board of trustees.

All new trustees have a structured induction to the organisation. There is an induction pack which includes; a copy of the Charity Commission's information booklet 'The Essential Trustee', a copy of Stick 'n' Step's Articles of Association, the business plan and minutes of recent board meetings. New trustees have an induction meeting to brief them on their legal obligations under charity and company law, the committee and decision making processes, the business plan and recent financial performance of the charity. New trustees also have the opportunity to observe a board meeting before taking up the role.

All trustees are encouraged to attend appropriate external events where these will facilitate the undertaking of their role and also to attend Stick 'n' Step events to meet with service users.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

STICK 'N' STEP

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

FOR THE YEAR ENDED 31 AUGUST 2021

Key Management Personnel

The trustees consider the key management personnel to be the Chief Executive, Head of Conductive Education, Head of Fundraising and the Operations Manager.

The trustees have delegated significant authority and responsibility to the Chief Executive in the day-to-day running of the charity, who has authority and responsibility for planning, directing and controlling the activities of the charity on a day-to-day basis.

All trustees give of their time freely and no trustee received remuneration in the year.

The pay of the staff is reviewed annually. In view of the nature of the charity, the trustees benchmark against pay levels in other charities of a similar size.

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



R Shorthouse

Trustee

Dated: 16 March 2022

STICK 'N' STEP

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF STICK 'N' STEP

I report to the trustees on my examination of the financial statements of Stick 'N' Step (the charity) for the year ended 31 August 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 Accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 The financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Rob Davies

Mitchell Charlesworth LLP

Glebe Business Park
Lunts Heath Road
Widnes
Cheshire
WA8 5SQ

Dated: 16 March 2022

STICK 'N' STEP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
Income from:							
Donations and legacies	3	173,338	-	173,338	231,627	-	231,627
Charitable activities	4	30,425	495,403	525,828	90,234	390,744	480,978
Other trading activities	5	27,530	-	27,530	7,172	-	7,172
Investments	6	487	-	487	416	-	416
Total income		231,780	495,403	727,183	329,449	390,744	720,193
Expenditure on:							
Raising funds	7	64,980	54,058	119,038	109,614	10,832	120,446
Charitable activities							
Providing Conductive education	8	83,248	473,348	556,596	158,441	364,611	523,052
Total charitable expenditure		83,248	473,348	556,596	158,441	364,611	523,052
Total resources expended		148,228	527,406	675,634	268,055	375,443	643,498
Net income/(expenditure) for the year/							
Net movement in funds		83,552	(32,003)	51,549	61,394	15,301	76,695
Fund balances at 1 September 2020		168,111	146,850	314,961	106,718	131,549	238,267
Fund balances at 31 August 2021		251,663	114,847	366,510	168,112	146,850	314,962

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

All income and expenditure derive from continuing activities.

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

STICK 'N' STEP

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		77,190		53,572
Current assets					
Cash at bank and in hand		317,528		275,857	
Creditors: amounts falling due within one year	13	(28,208)		(14,467)	
Net current assets			289,320		261,390
Total assets less current liabilities			366,510		314,962
Income funds					
Restricted funds	18		114,847		146,850
Unrestricted funds			251,663		168,112
			366,510		314,962

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 16 March 2022

Paul Richards

R Shorthouse

P Richards
Trustee

R Shorthouse
Trustee

Company Registration No. 07257957

STICK 'N' STEP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	16		109,379		109,680
Investing activities					
Purchase of tangible fixed assets		(68,195)		-	
Interest received		487		416	
Net cash (used in)/generated from investing activities			(67,708)		416
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			41,671		110,097
Cash and cash equivalents at beginning of year			275,857		165,760
Cash and cash equivalents at end of year			317,528		275,857

STICK 'N' STEP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Stick 'N' Step is a private company limited by guarantee incorporated in England and Wales. The registered office is 3 Croxteth Avenue, Wallasey, Merseyside, CH44 5UL.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

STICK 'N' STEP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

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

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

Leasehold improvements	12.5%/20% Straight line
Fixtures, fittings & equipment	20% Reducing balance

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

STICK 'N' STEP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	173,338	231,627

STICK 'N' STEP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Charitable activities

	Charitable Income 2021 £	Charitable Income 2020 £
Grants receivable	525,828	307,589
Analysis by fund		
Unrestricted funds	30,425	90,234
Restricted funds	495,403	390,744
	525,828	480,978

5 Other trading activities

	2021 £	2020 £
Fundraising events	27,530	7,172

6 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	487	416

STICK 'N' STEP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Raising funds

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
<u>Fundraising and publicity</u>				
Staging fundraising events	17,531	351	17,882	11,030
Marketing and publications	4,200	-	4,200	6,937
Staff costs	43,249	53,707	96,956	102,479
	<u>64,980</u>	<u>54,058</u>	<u>119,038</u>	<u>120,446</u>
Fundraising and publicity	64,980	54,058	119,038	120,446
	<u>64,980</u>	<u>54,058</u>	<u>119,038</u>	<u>120,446</u>
For the year ended 31 August 2020				
Fundraising and publicity	<u>109,614</u>	<u>10,832</u>		<u>120,446</u>

STICK 'N' STEP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Charitable activities

	2021 £	2020 £
Staff costs	287,240	276,333
Depreciation and impairment	44,576	31,682
Equipment and class materials	16,822	15,439
Insurance	4,976	3,771
Licences and subscriptions	1,968	1,323
Miscellaneous expenses	1,815	913
Rent, rates and maintenance	10,885	13,325
Heat, light and utilities	10,602	12,322
	<u>378,884</u>	<u>355,108</u>
Share of support costs (see note 9)	164,375	157,152
Share of governance costs (see note 9)	13,337	10,792
	<u>556,596</u>	<u>523,052</u>
Analysis by fund		
Unrestricted funds	83,248	
Restricted funds	473,348	
	<u>556,596</u>	
For the year ended 31 August 2020		
Unrestricted funds		158,441
Restricted funds		364,611
		<u>523,052</u>

STICK 'N' STEP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Staff costs	142,554	-	142,554	120,870	
Other office costs	21,821	-	21,821	36,282	
Independent examiner fees	-	1,890	1,890	1,680	Governance
Legal and professional	-	11,447	11,447	9,112	Governance
	<u>164,375</u>	<u>13,337</u>	<u>177,712</u>	<u>167,944</u>	
Analysed between					
Charitable activities	<u>164,375</u>	<u>13,337</u>	<u>177,712</u>	<u>167,944</u>	

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total staff	<u>26</u>	<u>25</u>
Employment costs	2021 £	2020 £
Wages and salaries	481,550	429,394
Social security costs	35,594	32,188
Pension costs	<u>9,606</u>	<u>6,331</u>
	<u>526,750</u>	<u>499,682</u>

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

STICK 'N' STEP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 September 2020	251,678	109,084	360,762
Additions	62,431	5,764	68,195
	<u> </u>	<u> </u>	<u> </u>
At 31 August 2021	314,109	114,848	428,957
	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment			
At 1 September 2020	217,958	89,231	307,189
Depreciation charged in the year	35,657	8,921	44,578
	<u> </u>	<u> </u>	<u> </u>
At 31 August 2021	253,615	98,152	351,767
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 31 August 2021	60,494	16,696	77,190
	<u> </u>	<u> </u>	<u> </u>
At 31 August 2020	33,720	19,852	53,572
	<u> </u>	<u> </u>	<u> </u>

13 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	8,015	132
Other creditors	4,992	2,925
Accruals and deferred income	15,201	11,410
	<u> </u>	<u> </u>
	28,208	14,467
	<u> </u>	<u> </u>

14 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 August 2021 are represented by:			
Tangible assets	9,969	67,221	77,190
Current assets/(liabilities)	241,694	47,626	289,320
	<u> </u>	<u> </u>	<u> </u>
	251,663	114,847	366,510
	<u> </u>	<u> </u>	<u> </u>

STICK 'N' STEP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate Compensation	159,282	140,055

16 Cash generated from operations

	2021 £	2020 £
Surplus for the year	51,549	76,695
Adjustments for:		
Investment income recognised in statement of financial activities	(487)	(416)
Depreciation and impairment of tangible fixed assets	44,576	31,682
Movements in working capital:		
Increase in creditors	13,741	1,719
Cash generated from operations	109,379	109,680

17 Analysis of changes in net funds

The charity had no debt during the year.

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2020 £	Movement in funds		Balance at 31 August 2021 £
		Incoming resources £	Outgoing resources £	
Capital Grants - Refurbishment and Equipment	42,438	65,982	(41,199)	67,221
Revenue Grants - Service provision	104,412	429,421	(486,207)	47,626
	<u>146,850</u>	<u>495,403</u>	<u>(527,406)</u>	<u>114,847</u>

Stick 'N' Step
3 Croxteth Avenue
Wallasey
Merseyside
CH44 5UL

Mitchell Charlesworth LLP
Glebe Business Park
Lunts Heath Road
Widnes
Cheshire
WA8 5SQ

21 March 2021

Dear Sirs

This letter is provided in connection with your independent examination of the accounts of Stick 'N' Step for the year ended 31st August 2021.

We confirm that the following representations are made to the best of our knowledge and belief, having made such inquiries of management and staff as we considered necessary to satisfy ourselves that each of the following representations can properly be made.

General

We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 26th May 2017 under the Charities Act 2011, for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) for being satisfied that they give a true and fair view and for making accurate representations to you.

All accounting records and relevant information have been made available to you for the purpose of your independent examination and all transactions undertaken by the charity have been properly recorded in the accounting records and are reflected in the accounts.

All other records and related information, including minutes of all trustees meetings, have been made available to you. We have provided unrestricted access to persons within the entity from whom you have deemed it necessary to request information.

We confirm that the accounts are free of material misstatements, including omissions.

Internal Control and Fraud

We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud.

We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of affecting the entity involving management or employees who have a significant role in internal control or others where fraud could have a material effect on the accounts.

We have also disclosed to you all information in relation to allegations of fraud, or suspected fraud affecting the entity's accounts communicated by current or former employees, analysts, regulators or others.

Laws and Regulations

We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charitable company conducts its business and which could affect the accounts.

The charitable company has complied with all aspects of its contractual agreements that could have a material effect on the accounts in the event of non-compliance.

Accounting Estimates

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Assets and Liabilities

The charitable company has satisfactory title to all assets, and there are no liens or encumbrances on the charitable company's assets except as disclosed in the accounts.

We have recorded or disclosed, as appropriate, all liabilities both actual and contingent, and have disclosed in the notes to the accounts all guarantees given to third parties.

The carrying value and where relevant the fair value measurements and classification of assets and liabilities are properly reflected in the accounts and there are no plans or intentions that may materially alter this.

Stock is not stated at an amount in excess of net realisable value. There are no plans to abandon product lines or other plans that will result in any excess or obsolete stock.

Loans and Arrangements

The charitable company has at no time during the year entered into any arrangement, transaction or agreement to provide credit facilities (including loans, quasi loans or credit transactions) for trustees, nor to guarantee or provide security for such matters.

Legal Claims

We have disclosed all known actual or possible litigation and claims that have been, or are expected to be received and such matters, as appropriate, have been properly accounted for and disclosed in the accounts.

Related Parties

Related party relationships and transactions have been appropriately accounted for and disclosed in the accounts. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters that require disclosure in order to comply with the requirements of company law or accounting standards.

Subsequent Events

All events since the balance sheet date which require disclosure or which would materially affect the amounts in the accounts have been adjusted or included in the accounts.

Going Concern

We believe that the charity's accounts should be prepared on a going concern basis on the grounds that the current and future sources of funding or support will be more than adequate for the charitable company's needs. We have considered a period of twelve months from the date of approval of the accounts.

We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the accounts.

Grants and donations

All grants, donations and other income, the receipt of which being subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

Regulatory matters

We are not aware of any matters of material significance that should be reported to the Charity Commission.

There have been no other communications with the Charity Commission or other regulatory bodies during the year or subsequently concerning matters of non-compliance with any legal duty.

Yours faithfully

Signed on behalf of the board of trustees by:

R Shorthouse

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Trustee