

FOOTSTEPS CHILDREN'S SERVICES LTD

England & Wales · Charity number 1146996

Details

Other names	FOOTSTEPS CHILDREN'S SERVICES LTD, FOOTSTEPS TO ASHFIELD
Status	Registered
Legal form	Charitable company
Company number	06866200
Registered	2012-04-24
Register	View on the Charity Commission register

Contact

Address	Suite 14 John Buddle Work Village Newcastle upon Tyne Newcastle upon Tyne
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Website	www.footsteps.me.uk

Activities

Objects: To act as a resource for children and young people up to the age of 12 living in North East England (area of benefit) by providing advice and assistance, organising physical, social and learning activities to enable them to participate in society as independent, mature and responsible individuals through:
a. Advancement in life helping children and young people develop their skills, capacities and capabilities.
b. Advancement in educational engagement and attainment
c. Improving social welfare; responding to and instigating early interventions where the whole family is supported
d. Reducing poverty and improving conditions of life for people living in the area of benefit.

Activities: Footsteps Children's Services Ltd provides childcare throughout the North East of England, we have nurseries in Newcastle and Northumberland and offer creche services throughout the area. See attached report for full details

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Newcastle Upon Tyne City
- Northumberland

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£425,367	£410,038	-	-
2023-08-31	£357,731	£388,368	-	-
2022-08-31	£381,011	£371,971	-	-
2021-08-31	£361,840	£354,029	-	-
2020-08-31	£391,217	£351,499	-	-

Trustees

Name	Role	Appointed
Lisa Brady	Chair	2016-09-28
ALEXANDRA JOHNSON		2016-09-28
Claire Heslop		2024-04-25
Elizabeth Lowther		2019-04-20
Paul Lofthouse		2017-07-30

FOOTSTEPS CHILDREN'S SERVICES LTD

England & Wales - Charity number 1146996

Accounts



Footsteps Children's Services Ltd

Charity No. 1146996

Company No. 06866200

Trustees' Report and Unaudited Accounts

31 August 2024

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 August 2024.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 06866200

Charity No. 1146996

Registered Office

Suite 14
John Buddle Work Village
Buddle Road
Newcastle
NE4 8AW

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

L. Brady
C.L. Heslop
A.J. Johnson
P. Lofthouse
E. Lowther

Accountants

Accounting for Good CIC
2 Geordie Ridley Place
Upper Precinct Wesley Court
Blaydon on Tyne
Tyne and Wear
NE21 5BT

Trustees Report 2023-2024

The Trustees are pleased to present their annual Trustees report together with financial statements of the charity for the year ended 31 August 2024 that are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

The Charity is established to act as a resource for children up to the age of 12 years living in North East of England (area of benefit) by providing advice and assistance, organising physical, social and learning activities to enable them to participate in society as independent. Mature and responsible individuals through:

- a) Advancement in life, helping children and young people to develop their skills, capacities and capabilities.
- b) Advancement in educational engagement and attainment.
- c) Improving social welfare: responding to and instigating early interventions where the whole family is supported.
- d) Reducing poverty and improving conditions of life for people living in the area of benefit

The Charity does this by providing:

- full and part-time Early Years Education
- mobile crèche facilities to support the work of voluntary and community groups,
- crèche facilities to support the delivery of adult and family learning,
- out of school and 'wrap-around' provision,
- advice and support to vulnerable families, including access to a food and clothing bank, and referral to specialist support services
- support to children with additional needs and disabilities
- Collaborative work to support families living in deprivation

The purpose of the Charity is also to further benefit the residents of Newcastle and the neighbourhood without distinction of sex, sexual orientation, race or of political, religious or other options by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for residents.

Achievements and performance

This year has seen us celebrate 20 years of Footsteps, it has been a time of reflection on all we have achieved and a time to consider what the future holds.

Over the past year we continue to see the rising number of children attending our setting presenting with SEND, this is often undiagnosed as we may be the first professionals to be working with a family on a daily basis. Our role making swift observations and referrals to relevant professionals allows for children to get the best possible support they can at the start of their learning journey.

Our tried and tested model of 1-1, focused development sessions and the ongoing training of our team has proven effectiveness in the brilliant outcomes we have seen with children making excellent progress from their starting points. Our Send Support Plans are part of a transition process in to school that makes the move in to primary education supportive and helpful.

Our targeted work in supporting families living in areas of deprivation through our happy to help scheme continues to support families through food bank, and food vouchers, clothes bank and emergency care packages. We have completed a third year of collaboration with Action for Children offering “family club” at Footsteps Dolphin Street a weekly group where families can meet together after the nursery day to receive a meal, and support for the whole family. The whole family attends including any older or younger children in the immediate family even if they don’t attend nursery.

Our CEO remains active at a local level, representing Early Years and voluntary sector on the following boards and panels:

Schools Forum Newcastle City Council

“The Newcastle Schools Forum advises the council on matters affecting school funding. It must be consulted on any changes to the formula used to fund schools and the financial effects of any proposed changes.

The forum is also consulted annually on financial issues relating to:

- administration of the allocation of central government grants paid to schools via the local authority
- pupils with special educational needs and/or disabilities, in particular the places commissioned by the local authority and schools and the arrangements for top-up funding
- use of pupil referral units and the education of children otherwise at school
- early years provision
- contracts for the provision of services funded from school budgets.

Forum meetings are held at least four times per year and are open to the public”

Source – <https://www.newcastle.gov.uk/services/schools-learning-and-childcare/education-plans-strategies-and-funding/schools-forum>

Send Executive Board Newcastle City Council

“Our ambition for all children and young people with SEND is that they get the right support at the right time so that they go on to live rich and fulfilling lives. When we get this right our children and young people will tell us that they feel:

- Safe
- Happy and feel included
- Healthy and well cared for
- Ready for next steps
- Heard in decisions about their lives and the city.

The remit of the Board has been extended to include inclusion this means the Board will have oversight of all children and young people that are permanently excluded, suspended or at risk of permanent exclusion.

Our priorities are to:

- **Make sure children and young people get the right support at the right time.**
This means that children and young people will have an equitable approach to having their needs identified and met as early as possible. We are committed to creating inclusive and accessible environments that support our children and young people at every stage and that this approach is well understood by families and professionals.
- **Making sure we are getting it right together.**
This means strong partnership working where families are placed at the heart of everything we do and together we develop high quality, inclusive and accessible services.

The Board will:

- be responsible for all Council and health partners’ leadership and management matters affecting the implementation of the local area SEND strategy.
- take responsibility for holding partners to account for the work that they do in respect of SEND.
- strive to achieve improvement in outcomes for our children and young people with SEND.
- ensure delivery of the agreed actions on the Accelerated Progress Plan.
- oversight of all exclusions and suspensions of children and young people.

The Board brings together senior decision makers from across the local area and with the seniority that enables them to speak with authority and commit ‘in principle’ on matters of commissioning, policy and practice. Formal decisions are subject to agreement by the Newcastle Local Area SEND and Inclusion Executive Board, and each organisation’s normal governance processes.” Source – Terms of Reference SEND Executive Board Workstream Nov 24

There are multiple work streams that flow from these panels and boards that the CEO contributes to, this allows us to both represent the Early Years and/or Voluntary Sector as a whole as well as strengthening our working relationships with partner agencies.

Access Fund Panel

The Access Fund is a grant to help disabled children and young people to participate in activities in their local community. This can be any daytime, evening or weekend activity that the child or young person enjoys whilst their parent/carer has a break from caring. The Access Fund seeks to support children and young people to take part in inclusive activities alongside their non-disabled peers.

As a panel member the CEO receives and approves or declines funding applications based upon how they meet with the criteria of the fund. The CEO also contributes to the monitoring of the activity of this fund, and as part of the panel reviews criteria, application processes and external information regarding this fund on an annual basis.

Inner West Partnership

The CEO is an active member of the Inner West Partnership, this group is made up of multi agencies serving families in the West End of Newcastle upon Tyne. The partnership meets monthly with recurring subject matters a focus for each meeting, for example meetings include, holiday activities and funding, employment, the CEO assists The Chair in setting the agenda for the SEND focus meeting.

Other CEO Activity

Outside of the day to day leadership of the organisation, some key points for the CEO this year has been:

Training

Secondary Trauma and Resilience training has been completed, this was a very helpful course to look at the impact of secondary trauma in the workplace, this has provided insight and tools and techniques that help when supervising staff with challenging caseloads.

Safeguarding Lead and Train the Trainer has been achieved this is a 12 hour course to look in depth at Safeguarding Children and also allows for the CEO to achieve the required training to be able to deliver this training to the organisation as a whole. Safeguarding Training was delivered in Sept 2023 and will be delivered face to face every two years, with online training being provided between face to face training.

Speaking Events

The CEO was approached by Newcastle City Council to speak at the careers event "My future, My Choice" the purpose of this was to share about embarking on an Early Years career, to provide both motivation and information to those in attendance.

The CEO was also invited to speak at the BIPC International Women's Day Event in Newcastle to share their journey as a charity leader and a woman in business, with others that were either setting up or have established businesses.

Networks and Partnerships

Footsteps has strong partnerships with many agencies, and this year has established some new working relationships. A connection was made with Newcastle University Business Clinic through attending a Social Enterprise Event that resulted in Students in their final year of a Marketing and Business Degrees working with Footsteps for their end project. This resulted in them devising a Marketing Strategy for Footsteps to be used as part of our marketing plan going forwards.

Events

We had a very successful quiz night in April 2024, it was very well attended lots of fun was had and we raised £1000.

In July 2024 we celebrated 20 years of Footsteps Children's Services, we held parties for the families that use our services and a celebration event for our team, partners and suppliers. Our team celebration event was bring and share and our team provided some delicious delicacies from their home nations, some team members shared highlights of their time at Footsteps, as a children's charity we had to throw in some children's party games and the CEO's husband volunteered his time to deliver a magic show, and a friend volunteered time as a vocalist and entertained us all with their beautiful covers of some classics, a brilliant time was had by all.

Future Developments

LGA Foundation has generously offered to fund an expansion to our services, we are currently working with Newcastle City Council planning department to build a new site adjacent to the Nursery on Dolphin Street. Due diligence has been shown in the appointment of reputable contractors to aid the planning process. There will be further updates when planning has been approved.

Service Delivery

Footsteps Nunsmoor continues to deliver playgroup services, children access playgroup either through morning or afternoon sessions.

We have continued to deliver 1-1 support and focused development sessions to children who require extra support to access their Early Years Entitlement, Inclusion funding from Newcastle City Council and grant funding from St James Place Foundation has enabled this 1-1 work, and has been used to purchase resources to support children's learning and play experiences. Funding from Prudhoe Street Mission Foundation has helped towards food costs and children's resources.

Footsteps Dolphin Street continues to see an increase in children attending with SEND, our team are highly skilled and experienced Early Years Educators who are committed to providing a fully inclusive early years experience for all children and families. Our Ofsted inspection (2019) graded our work outstanding stating that we provide a welcoming, non-judgemental and special atmosphere.

Funding from the LGA Foundation has allowed us to provide intensive interactions and extensive 1-1 work with children needing extra support.

All of our settings continue to provide support to children with complex needs. These range from children who are looked after, children subject to child protection plans or Early Help Plans, children with disabilities and children with complex health needs. All of these children received appropriate support with some families successfully coming off plan and children with SEND making significant progress.

Early Years Pupil Premium has been used to purchase resources that support children's learning based upon their interests and areas of development. We have brought in specialist in music and movement, and the children absolutely love the session delivered by Rhythm Time.

Funding from Prudhoe Street Mission Foundation has helped towards food costs and children's resources.

Footsteps Mobile Crèche

We currently provide crèche facilities at George Street Road to Recovery trust. The crèche delivered twice per week allows service users at Road to Recovery to attend support sessions, build friendships and offer support to others in their addiction recovery journey.

Parents are confident that their children are well cared for and fun activities offered during their sessions and can therefore concentrate their efforts on their own recovery and supporting others.

Footsteps Westgate

This service provides crèche to children whose parents are accessing adult learning opportunities at Westgate Community College.

A large proportion of parents are attending English-speaking classes and therefore most of the children have English as an additional language. In offering this service at Westgate it allows parents to access education and in turn may provide more job opportunities in the future. This can have long lasting and wide impact on the family unit as a whole, and can act as a motivator for future generations. So whilst it can be viewed that we offer a childcare service, we feel without the childcare element parents simply would not be able to progress their education, employment and some degree their lives in the same way if we did not provide the childcare. We are very proud of all that has been achieved at Westgate.

Footsteps Ponteland

Our after school club at Ponteland continues to go from strength to strength, we have seen increased occupancy with the service being used every day by families requiring after school care to support their work commitments.

We have experienced some difficulties in recruitment at Ponteland due to the reduced working hours and location, but our existing team have come together to cover gaps and ensure service delivery can continue.

Funding Received – The CEO planned to raise £30k in funding in 23/24, we have achieved £27k through grant funding and local fundraising

St James Place

We received £7500 from St James Place in July 2024. This funding allows us to deliver 1-1 work and focused development sessions for children who have SEND. We have seen great progress achieved at our Nunsmoor site through this funding.

LGA Foundation

We received £10,000 from LGA foundation in March 2024, this support allows us to deliver intensive 1-1 work with children with SEND at our Dolphin Street site, this funding is so very important to our work. It allows us to operate at a higher staff ratio to ensure children with significant and complex SEND can receive the targeted and specialist support they need from our dedicated staff team, making outstanding progress in their learning and physical development.

LGA Foundation have also provided a £2000 grant in October 2023 to alleviate hardship, with this grant we have been able to offer not only food and clothes to families in need, but have been able to offer blankets, bedding, warm socks, hats and gloves to support our families during the Winter months where they simply have not been in a financial position to heat their homes to keep warm. The hardship fund also allowed us to extend the nursery day one day per week to targeted children, this meant they could stay at nursery until 4pm and then attend a family club warm zone between four and six pm, where they would receive a hot meal and activities for the whole family.

Prudhoe Street Mission

Awarded £5000 in funding to Footsteps in September 2023, of which £2500 was designated towards food costs and £2500 was for children's resources. This has allowed to provide healthy snacks to children at all of our sites and purchase toys and equipment to support learning

Asda Foundation Grant

An Asda Grant of £1000 was provided towards our happy to help scheme and to help with local fundraising, this grant allowed us to run fundraising events and activities at no cost to our organisation ensuring that all funds raised went directly to service delivery. This fund has also supported families as part of our happy to help scheme, helping us to top up food bank and toiletry supplies.

Training and Development

There has been significant changes within the DfE regarding qualification criteria. We have spent a proportion of this year resolving this issue and sourcing relevant training for those that have been affected. This has had a considerable effect on the organisation as a whole, as a huge amount of time has been spent resolving this issue, and providing cover to sessions where qualifications are no longer valid. We have had to restructure some staff teams and move team members around to ensure that there is the required qualified staff ratio.

We have renewed First Aid Training, Safeguarding Training and Food Safety where required. The team have completed various health and safety online modules, as well as in person training delivered both by ourselves and outside agencies.

Team members have completed SENCO Level 3 qualification with Newcastle City Council. We have had two team members that have also completed the government funded Early Years Professional Development Programme.

The CEO has provided mentoring and support to all managers to develop their leadership skills, and continues to offer training around performance management and leadership.

Future training plans include SEND training, and the CEO is writing a Leadership Training Programme.

Public benefit statement

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's objectives and planning its future activities. This annual report will aim to demonstrate the link between our charitable activity and how this benefits our service users.

Financial review

Footsteps Children's Services Ltd is funded by grant income from Newcastle City Council, parent fees, agency nursery fees and crèche fees. The total income for the period was £425,367 This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice.

The Statement of Financial Activities for the period shows a surplus across all funds of £15,239 this exceeded our plan of returning to break even within two years from the £30,637 deficit in financial year 22/23

The Balance Sheet at 31 August 2024 shows total funds carried forward of £95,178 of which there are £21,654 restricted funds.

We claimed a Business Interruption Loan during the Covid Pandemic (Bounce Back Loan) of £30,000, £5,500 was made in payments in 23/24 the balance at 31st August 2024 is £11,500

Reserves policy

Footsteps Children's Services Ltd has maintained a small level of free reserves over the years currently £73,816 to meet the working capital requirements of the charity in the event of a significant drop in funding. It has established a policy whereby the unrestricted funds held by the charity should be between 3 and 6 months of annual expenditure. At 31 August 2024 free reserves represent 3 months of running costs which the trustees believe to be prudent in light of challenges faced in securing funding.

Designated Funds

The Designated funds for Cyber Security and IT Upgrades have been allocated but due to operational matters this work will commence over the summer holidays and been invoiced in 24/25

Governance

We have a committed Board of Trustees with a variety of skills that bring a wealth of knowledge to the Organisation. All trustees go through a recruitment process that involves relevant back ground checks, DBS Checks and references being sought from two non-family members.

It is our long term aim to always maintain a minimum of five board members this allows for a quorate of 3 people to ensure that absence doesn't impact decision making. We would be keen to recruit ethnically diverse Board Members that reflect the diversity of our local community.

Risk Management

The Board of Trustees understands the importance of assessing major risks that the Charity could face. Appropriate systems, controls and procedures have been established to reduce our exposure, and manage, monitor and mitigate risk and uncertainty.

An annual review of the major risks faced by the Charity is undertaken and the Trustees are satisfied that our procedures are in line with our risk management process.

Risk management is considered at regular Trustee meetings and sub groups where any changes or new risks identified are considered and responded to.

Currently the greatest risk the charity faces continues to be ongoing increases in minimum wage and NI Contributions whilst Early Years Funding has been increased it does not match the rate of minimum wage increases. There is simply not enough government funding attached to the Early Years Entitlement offered to parents to cover actual costs of care, this is a sector wide problem and not exclusive to our charity. There is also a current recruitment crisis within the sector, this is partly to do with very experienced workers and leaders within the sector simply feeling disillusioned by the governments approach to Early Years that they have simply walked away from the sector. It is also exceptionally difficult to recruit new workers to the sector as there is insufficient funding to offer them an appropriate wage for the level of responsibility they have in caring for children, they can get a far less responsible job for greater financial reward. This is sector wide and not specific to our charity, and until

the government recognise that they are not investing enough money in to Early Years this will continue to be a problem.

The cost of living and energy crisis, poses some risk to our current expenditure, there are rising costs for food and energy. This is having a huge impact on our families, we are working in collaboration with other organisations to help meet the needs of our local communities but we do face the same challenges with regards to rent increase and energy and food costs. We have sufficient reserve to cover these costs but will also seek additional funding to support these costs. We will be exploring new options of income generation

Finance

Our current income streams are as follows:

Early Years Offer 2, 3 and 4-year-old offer Newcastle City Council

This is our main source of income and in 23/24 accounted for % of our income, the funding is allocated per child and we only receive the funding if the child is in attendance. The funding is paid by an initial 75% payment at the start of each term followed by a balancing payment on submission of headcount data to the local authority. We receive a projected budget set by the local authority based upon the previous year's payments, with amends being made on balancing payments to reflect actual numbers of children in attendance.

Inclusion Funding

As a high proportion of the children in our care present with SEND then we also receive inclusion funding from Newcastle City Council, this funding is for individual children and can only be used for their education and welfare. There has been a restructure in Early Years Inclusion funding, which is now in bands matched to the Descriptors of Need, some bands are lower than previous levels and some are higher so overall the funding balances out.

We work closely with the Local Authority and have built a strong reputation for our SEND work, the CEO worked with the local authority to consider the citywide criteria for inclusion funding. We will continue to strive to source additional funding through grants and trusts to support our service delivery.

Deprivation Funding

This funding is allocated to providers who work with families in high areas of deprivation, the purpose of this is in recognition that families living in high areas of disadvantage may require additional support to other families to help narrow the gap between the most disadvantaged and other members of the community. It is also recognised that Early Years Provision is required within high areas of deprivation but is not always financially viable due

to the lack of fee paying parents. The deprivation can help towards core costs for service delivery.

This funding can also be used on enrichment activities for children, in the past it has been used to develop outdoor spaces as lots of children living in the inner city do not have safe outdoor play spaces. We have used funding to backfill staff to support families, and have bought in extra activities such as music and arts specialists.

Parents Fees

This is the income generated by parents paying for our services, as we mainly cater for families living in high areas of deprivation then this income is now mainly generated from our after school provision in Ponteland.

Contracts

Early Years

We currently hold contracts with Newcastle City Council for the delivery of Early Years Education 2, 3 and 4-year-old offer.

As the Early Years Sector has been underfunded for years, it is now on the political agenda to address this issue. The current suggestions being offered by the government are not a solution to this problem as they are suggesting an increase in funded places, but the actual rate of funding is not sufficient to deliver their proposal. However, it is not anticipated that there will be any reductions in funding for Early Years as affordable and accessible childcare is crucial in rebuilding the economy.

Westgate Crèche

We hold a contract with Newcastle City Council Children, Education and Skills Directorate for the delivery of Crèche Provision at Westgate College, this has a contract value of £40k per annum, however gets topped up by other funding and usually generates between £40-£45k per annum.

This contract was renewed for financial year 22-23 and has been secured for 23-24.

Mobile Crèche

Our mobile service currently provides crèche to George St Road to Recovery Trust, enabling those in addiction recovery to attend support sessions and support others along their path

to recovery. We deliver crèche twice per week with a current contract value of approximately £7500 per annum depending upon bookings.

Summary

At Footsteps we are committed to serving the families most at need and do not shy away from situations that are viewed as complex and require significant investment of time and care. We have a team of dedicated highly skilled professionals that provide an inclusive and welcoming service to our local community. We are committed to facing any challenges head on, and finding solutions or adapting services where needed.

As with all businesses and charities it is getting increasingly difficult to deliver services that are financially viable, we have managed to generate a profit in financial year 23/24 which puts us ahead of our views from end of year last year where we thought it might take up to two years to reach breakeven. Although we have generated a profit, we also anticipate that the increase this coming year not only to NMW but also NI contributions will be very challenging. We have reviewed salaries and planned for costs associated with that, but these additional costs will limit our ability to generate a profit in the coming year and we anticipate drawing from reserves.

Our organisational values remain the same to operate from a place of kindness, compassion and no judgement. All of the decision we make moving forwards will be based on this foundation. We will be investing time in our people, developing knowledge and skills of the workforce to ensure high quality service delivery, and a motivated and well cared for staff team.

We anticipate an Ofsted inspection in 24/25 and will continue to work in a way that prioritises the children that we care for and trust that the inspection process will value our work and priorities, and recognises the additional services that we deliver on top of the standard offer.

The CEO will be focusing their attention on the following areas:

Sustainability: The CEO currently acts as a PVI rep for the city on Schools Forum, a panel designed to allocate the education budget received in to the city. This ensures that the PVI sector views are heard by the city in terms of the allocation of funding.

The CEO will be aiming to generate £30,000 through grant funding and fundraising events in 24/25.

The CEO has been selected as a member of the SEND Executive Board for Newcastle City Council and will act as PVI representative, The Board is responsible for SEND 0-25 Services in Newcastle upon Tyne

The CEO will continue to provide line management to the leadership team, and seeks to create and deliver a leadership programme for all current and aspiring leaders within the organisation.

The CEO remains committed to leading the organisation in meeting the needs of local children and families through delivering high quality services.

The CEO will be working on a strategic plan to review the following areas:

- Values and Vision
- People
- Marketing
- Finance
- Quality impact
- Service/product development

The CEO will be leading the direction of the building project at Dolphin Street, coordinating contractors and taking responsibility for the budget.

Organisational goals for the year ahead would be to see an increase in ethnically diverse active Board Members.

We will continue to work with Peninsula, our Human Resources and Health and Safety consultants to ensure we meet all of our legal and moral obligations for everyone we employ.

The plans we have for the future to secure, develop and review our services will be done to ensure sustainability of the organisation and we will share updates on the progress of these plans on a regular basis through existing staff meeting structures.

We seek to continue to meet our initial aims and objectives whilst being responsive to the need around us, and flexible in our approach to meet the needs of service users within our financial capacity.

Independent Examiner's Report to the trustees of Footsteps Children's Services Ltd

I report to the charity trustees on my examination of the financial statements of Footsteps Children's Services Ltd for the year ended 31 August 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

As 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 FFA FTA, which is one of the listed bodies.

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- 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.

Kay Wightman FFA FTA
Accounting for Good CIC
2 Geordie Ridley Place
Upper Precinct Wesley Court
Blaydon on Tyne
Tyne and Wear
NE21 5BT
10 April 2025

Footsteps Children's Services Ltd
Statement of Financial Activities
for the year ended 31 August 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
	Notes				
Income and endowments from:					
Donations and legacies	4	6,297	-	6,297	814
Charitable activities	5	389,863	28,177	418,040	356,646
Investments	6	1,030	-	1,030	271
Total		397,190	28,177	425,367	357,731
Expenditure on:					
Raising funds	7	143	421	564	248
Charitable activities	8	247,760	16,532	264,292	247,350
Other	9	145,182	-	145,182	140,770
Total		393,085	16,953	410,038	388,368
Net gains on investments		-	-	-	-
Net income/(expenditure)	10	4,105	11,224	15,329	(30,637)
Transfers between funds		-	-	-	-
Net income/(expenditure) before other gains/(losses)		4,105	11,224	15,329	(30,637)
Other gains and losses					
Net movement in funds		4,105	11,224	15,329	(30,637)
Reconciliation of funds:					
Total funds brought forward		69,419	10,430	79,849	110,486
Total funds carried forward		73,524	21,654	95,178	79,849

Footsteps Children's Services Ltd
 Summary Income and Expenditure Account
 for the year ended 31 August 2024

	2024 £	2023 £
Income	424,337	357,460
Interest and investment income	1,030	271
Gross income for the year	<u>425,367</u>	<u>357,731</u>
Expenditure	408,982	386,643
Interest payable	369	519
Depreciation and charges for impairment of fixed assets	687	1,206
Total expenditure for the year	<u>410,038</u>	<u>388,368</u>
Net income/(expenditure) before tax for the year	15,329	(30,637)
Net income /(expenditure)for the year	<u><u>15,329</u></u>	<u><u>(30,637)</u></u>

Footsteps Children's Services Ltd

Balance Sheet

at 31 August 2024

Company No. 06866200	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	12	439	1,078
		<u>439</u>	<u>1,078</u>
Current assets			
Debtors	13	1,298	87
Cash at bank and in hand		160,370	150,058
		<u>161,668</u>	<u>150,145</u>
Creditors: Amount falling due within one year	14	(61,429)	(59,874)
Net current assets		100,239	90,271
Total assets less current liabilities		100,678	91,349
Creditors: Amounts falling due after more than one year	16	(5,500)	(11,500)
Net assets excluding pension asset or liability		<u>95,178</u>	<u>79,849</u>
Total net assets		<u><u>95,178</u></u>	<u><u>79,849</u></u>
The funds of the charity			
Restricted funds	17		
Restricted income funds		21,654	10,430
		<u>21,654</u>	<u>10,430</u>
Unrestricted funds	17		
General funds		69,524	65,419
Designated funds		4,000	4,000
		<u>73,524</u>	<u>69,419</u>
Reserves	17		
Total funds		<u><u>95,178</u></u>	<u><u>79,849</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 August 2024 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

Approved by the board on 10 April 2025

And signed on its behalf by:

L. Brady

Trustee

10 April 2025

Footsteps Children's Services Ltd
Statement of Cash flows
for the year ended 31 August 2024

	2024 £	2023 £
Cash flows from operating activities		
Net income/(expenditure) per Statement of Financial Activities	15,329	(30,637)
Adjustments for:		
Depreciation of property, plant and equipment	687	1,206
Dividends, interest and rents from investments	(1,030)	(271)
(Increase)/Decrease in trade and other receivables	(1,211)	1,989
Increase in trade and other payables	1,723	2,869
Net cash provided by/(used in) operating activities	<u>15,498</u>	<u>(24,844)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(48)	(582)
Dividends, interest and rents from investments	1,030	271
Net cash from/(used in) investing activities	<u>982</u>	<u>(311)</u>
Cash flows from financing activities		
Repayment of borrowings	(6,000)	(6,000)
Net cash used in financing activities	<u>(6,000)</u>	<u>(6,000)</u>
Net increase/(decrease) in cash and cash equivalents	10,480	(31,155)
Cash and cash equivalents at the beginning of the year	149,968	180,918
Cash and cash equivalents at the end of the year	<u>160,448</u>	<u>149,763</u>
Components of cash and cash equivalents		
Cash and bank balances	160,370	150,058
Bank overdrafts	78	(90)
	<u>160,448</u>	<u>149,968</u>

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

Donated services and facilities These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Volunteer help The value of any volunteer help received is not included in the accounts.

Investment income This is included in the accounts when receivable.

Gains/(losses) on revaluation of fixed assets This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Gains/(losses) on investment assets This includes any gain or loss on the sale of investments.

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

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

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer Equipment	33% Straight Line
Leasehold Property Improvements	20% Straight Line

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Income and endowments from:			
Donations and legacies	814	-	814
Charitable activities	337,596	19,050	356,646
Investments	271	-	271
Total	<u>338,681</u>	<u>19,050</u>	<u>357,731</u>
Expenditure on:			
Raising funds	248	-	248
Charitable activities	232,716	14,634	247,350
Other	136,694	4,076	140,770
Total	<u>369,658</u>	<u>18,710</u>	<u>388,368</u>
Net income	<u>(30,977)</u>	<u>340</u>	<u>(30,637)</u>
Net income before other gains/(losses)	<u>(30,977)</u>	<u>340</u>	<u>(30,637)</u>
Other gains and losses:			
Net movement in funds	<u>(30,977)</u>	<u>340</u>	<u>(30,637)</u>
Reconciliation of funds:			
Total funds brought forward	100,396	10,090	110,486
Total funds carried forward	<u><u>69,419</u></u>	<u><u>10,430</u></u>	<u><u>79,849</u></u>

4 Income from donations and legacies

	Unrestricted £	Total 2024 £	Total 2023 £
Fundraising	6,297	6,297	814
	<u>6,297</u>	<u>6,297</u>	<u>814</u>

5 Income from charitable activities

	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £
Grants and Contracts	389,863	28,177	418,040	356,646
	<u>389,863</u>	<u>28,177</u>	<u>418,040</u>	<u>356,646</u>

6 Income from investments

	Unrestricted	Total 2024	Total 2023
	£	£	£
Bank interest	1,030	1,030	271
	<u>1,030</u>	<u>1,030</u>	<u>271</u>

7 Expenditure on raising funds

	Unrestricted	Restricted	Total 2024	Total 2023
	£	£	£	£
<i>Costs of generating voluntary income</i>				
Fundraising	143	421	564	248
	<u>143</u>	<u>421</u>	<u>564</u>	<u>248</u>

8 Expenditure on charitable activities

	Unrestricted	Restricted	Total 2024	Total 2023
	£	£	£	£
<i>Expenditure on charitable activities</i>				
Grants and Contracts	223,948	14,621	238,569	223,626
Children's Resources	23,812	1,911	25,723	23,724
<i>Governance costs</i>				
	<u>247,760</u>	<u>16,532</u>	<u>264,292</u>	<u>247,350</u>

9 Other expenditure

	Unrestricted	Total 2024	Total 2023
	£	£	£
Other interest payable	369	369	519
Employee costs	84,555	84,555	81,503
Motor and travel costs	1,691	1,691	2,248
Premises costs	29,235	29,235	25,296
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	687	687	1,206
General administrative costs	18,187	18,187	19,787
Legal and professional costs	10,458	10,458	10,211
	<u>145,182</u>	<u>145,182</u>	<u>140,770</u>

10 Net income/(expenditure) before transfers

	2024	2023
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	687	1,206

11 Staff costs

	2024	2023
Salaries and wages	64,150	61,816
Social security costs	14,873	13,902
Pension costs	3,455	3,413
	<u>82,478</u>	<u>79,131</u>

No employee received emoluments in excess of £60,000.

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

	2024	2023
	Number	Number
Charitable Activities	26	22
	<u>26</u>	<u>22</u>

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund

12 Tangible fixed assets

	Computer Equipment	Leasehold Property Improvements	Total
	£	£	£
Cost or revaluation			
At 1 September 2023	3,940	-	3,940
Additions	48	-	48
At 31 August 2024	<u>3,988</u>	<u>-</u>	<u>3,988</u>
Depreciation and impairment			
At 1 September 2023	2,862	-	2,862
Depreciation charge for the year	687	-	687
At 31 August 2024	<u>3,549</u>	<u>-</u>	<u>3,549</u>
Net book values			
At 31 August 2024	<u>439</u>	<u>-</u>	<u>439</u>
At 31 August 2023	<u>1,078</u>	<u>-</u>	<u>1,078</u>

13 Debtors

	2024	2023
	£	£
Trade debtors	296	-
Prepayments and accrued income	1,002	87
	<u>1,298</u>	<u>87</u>

14 Creditors:

amounts falling due within one year

	2024	2023
	£	£
Bank loans and overdrafts	5,922	6,090
Trade creditors	1,830	1,496
Other taxes and social security	2,831	2,299
Other creditors	747	639
Accruals	2,052	1,848
Deferred income	48,047	47,502
	<u>61,429</u>	<u>59,874</u>

The business interruption loan commenced 23 July 2020, there were no repayments or interest for 12 months then six years to pay back with no early payment charge

15 Deferred Income

Movement of the deferred income shown in Creditors: amounts falling due within one year

	2024	2023
	£	£
At 1 September	47,502	47,630
Released in current year	(47,502)	(47,630)
Deferred in current year	48,047	47,502
At 31 August	<u>48,047</u>	<u>47,502</u>

Invoices paid in advance

16 Creditors:

amounts falling due after more than one year

	2024	2023
	£	£
Bank loans and overdrafts	5,500	11,500
	<u>5,500</u>	<u>11,500</u>
Liabilities repayable in more than five years after the balance sheet date		
Amount repayable by instalments	-	11,500
	<u>-</u>	<u>11,500</u>

The business interruption loan commenced 23 July 2020, there were no repayments or interest for 12 months then six years to pay back with no early payment charge

17 Movement in funds

	At 1 September 2023	Incoming resources (including other gains/losses) £	Resources expended £	At 31 August 2024 £
Restricted funds:				
Restricted income funds:				
Access Fund	-	400	-	400
LGA Foundation	8,596	10,000	(9,204)	9,392
St James's Place Charitable	1,829	7,500	(1,701)	7,628
Prudhoe Street Mission	-	5,000	(2,514)	2,486
Disability Access Fund	-	2,277	(1,322)	955
LGA Hardship Fund	5	2,000	(1,504)	501
Asda Community Fund	-	1,000	(708)	292
<i>Total</i>	<u>10,430</u>	<u>28,177</u>	<u>(16,953)</u>	<u>21,654</u>
Unrestricted funds:				
General funds	65,419	397,190	(393,085)	69,524
Designated funds:				
Cyber Security Certification	2,000	-	-	2,000
IT Software Updates	2,000	-	-	2,000
<i>Total</i>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>4,000</u>
 Total funds	 <u>79,849</u>	 <u>425,367</u>	 <u>(410,038)</u>	 <u>95,178</u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Access Fund	Providing children's resources
LGA Foundation	Providing SEND support
St James's Place Charitable	Providing SEND support
Prudhoe Street Mission	Providing SEND support
Disability Access Fund	Providing SEND access
LGA Hardship Fund	For the relief of poverty
Asda Community Fund	Community support

Designated funds:

Cyber Security Certification
IT Software Updates

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	439	-	439
Net current assets	99,943	296	100,239
Creditors due in more than one year and provisions	(5,500)	-	(5,500)
	<u>94,882</u>	<u>296</u>	<u>95,178</u>

19 Reconciliation of net debt

	At 1 September 2023	Cash flows	At 31 August 2024
	£	£	£
Cash and cash equivalents	150,058	10,312	160,370
	<u>150,058</u>	<u>10,312</u>	<u>160,370</u>
Bank loans	(17,500)	6,000	(11,500)
	<u>(17,500)</u>	<u>6,000</u>	<u>(11,500)</u>
Net debt	<u>132,558</u>	<u>16,312</u>	<u>148,870</u>

20 Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2024	2024	2023	2023
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£

Operating leases with expiry date:

Pension commitments

	2024	2023
	£	£
The pension cost charge to the company amounted to:	<u>3,455</u>	<u>3,413</u>

21 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Footsteps Children's Services Ltd
Detailed Statement of Financial Activities
for the year ended 31 August 2024

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:				
Donations and legacies				
Fundraising	6,297	-	6,297	814
	<u>6,297</u>	<u>-</u>	<u>6,297</u>	<u>814</u>
Charitable activities				
Grants and Contracts	389,863	28,177	418,040	356,646
	<u>389,863</u>	<u>28,177</u>	<u>418,040</u>	<u>356,646</u>
Investments				
Bank interest	1,030	-	1,030	271
	<u>1,030</u>	<u>-</u>	<u>1,030</u>	<u>271</u>
Total income and endowments	397,190	28,177	425,367	357,731
Expenditure on:				
Costs of generating donations and legacies				
Fundraising	143	421	564	248
	<u>143</u>	<u>421</u>	<u>564</u>	<u>248</u>
Total of expenditure on raising funds	143	421	564	248
Charitable activities				
Grants and Contracts	223,948	14,621	238,569	223,626
Children's Resources	23,812	1,911	25,723	23,724
	<u>247,760</u>	<u>16,532</u>	<u>264,292</u>	<u>247,350</u>
Total of expenditure on charitable activities	247,760	16,532	264,292	247,350
Other expenditure				
Other interest payable	369	-	369	519
	<u>369</u>	<u>-</u>	<u>369</u>	<u>519</u>
Employee costs				
Salaries/wages	64,150	-	64,150	61,816
Employer's NIC	14,873	-	14,873	13,902
Pension costs	3,455	-	3,455	3,413
Staff recruitment	-	-	-	6
Staff training	1,726	-	1,726	2,129
Staff welfare	351	-	351	237
	<u>84,555</u>	<u>-</u>	<u>84,555</u>	<u>81,503</u>
Motor and travel costs				
Travel and subsistence	1,691	-	1,691	2,248
	<u>1,691</u>	<u>-</u>	<u>1,691</u>	<u>2,248</u>
Premises costs				

Footsteps Children's Services Ltd
Detailed Statement of Financial Activities

Rent	16,073	-	16,073	16,073
Rates	444	-	444	417
Light, heat and power	8,028	-	8,028	3,488
Premises cleaning	2,534	-	2,534	1,914
Premises repairs and maintenance	2,156	-	2,156	3,404
	<u>29,235</u>	<u>-</u>	<u>29,235</u>	<u>25,296</u>
General administrative costs, including depreciation and amortisation				
Depreciation of Computer Equipment	687	-	687	1,206
Depreciation of Leasehold Property Improvements	-	-	-	-
Bad debts	31	-	31	287
Bank charges	166	-	166	146
Equipment expensed	1,470	-	1,470	1,091
General insurances	3,455	-	3,455	3,403
Software, IT support and related costs	4,213	-	4,213	4,931
Stationery and printing	4,135	-	4,135	5,409
Sundry expenses	1,263	-	1,263	1,453
Telephone, fax and broadband	3,454	-	3,454	3,067
	<u>18,874</u>	<u>-</u>	<u>18,874</u>	<u>20,993</u>
Legal and professional costs				
Audit/Independent examination fees	1,799	-	1,799	1,800
Accountancy and bookkeeping	1,498	-	1,498	2,030
Consultancy fees	5,827	-	5,827	5,047
Other legal and professional costs	1,334	-	1,334	1,334
	<u>10,458</u>	<u>-</u>	<u>10,458</u>	<u>10,211</u>
Total of expenditure of other costs	<u>145,182</u>	<u>-</u>	<u>145,182</u>	<u>140,770</u>
Total expenditure	393,085	16,953	410,038	388,368
Net gains on investments	-	-	-	-
Net income/(expenditure)	4,105	11,224	15,329	(30,637)
Net income/(expenditure) before other gains/(losses)	4,105	11,224	15,329	(30,637)
Other Gains	-	-	-	-
Net movement in funds	<u>4,105</u>	<u>11,224</u>	<u>15,329</u>	<u>(30,637)</u>
Reconciliation of funds:				
Total funds brought forward	69,419	10,430	79,849	110,486

Footsteps Children's Services Ltd
Detailed Statement of Financial Activities

Total funds carried forward	<u>73,524</u>	<u>21,654</u>	<u>95,178</u>	<u>79,849</u>
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FOOTSTEPS CHILDREN'S SERVICES LTD

England & Wales - Charity number 1146996

Accounts



Footsteps Children's Services Ltd

Charity No. 1146996

Company No. 06866200

Trustees' Report and Unaudited Accounts

31 August 2023

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 August 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 06866200

Charity No. 1146996

Registered Office

Suite 14
John Buddle Work Village
Buddle Road
Newcastle
NE4 8AW

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law. The following Directors and Trustees served during the year:

L. Brady
A.J. Johnson
P. Lofthouse
E. Lowther

Accountants

Accounting for Good CIC
2 Geordie Ridley Place
Upper Precinct Wesley Court
Blaydon on Tyne
Tyne and Wear
NE21 5BT

Trustees Report 2022-2023

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

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

The Charity is established to act as a resource for children up to the age of 12 years living in North East of England (area of benefit) by providing advice and assistance, organising physical, social and learning activities to enable them to participate in society as independent. Mature and responsible individuals through:

- a) Advancement in life, helping children and young people to develop their skills, capacities and capabilities.
- b) Advancement in educational engagement and attainment.
- c) Improving social welfare: responding to and instigating early interventions where the whole family is supported.
- d) Reducing poverty and improving conditions of life for people living in the area of benefit

The Charity does this by providing:

- full and part-time Early Years Education
- mobile crèche facilities to support the work of voluntary and community groups,
- crèche facilities to support the delivery of adult and family learning,
- out of school and 'wrap-around' provision,
- advice and support to vulnerable families, including access to a food and clothing bank, and referral to specialist support services
- support to children with additional needs and disabilities
- Collaborative work to support families through cost of living crisis

The purpose of the Charity is also to further benefit the residents of Newcastle and the neighbourhood without distinction of sex, sexual orientation, race or of political, religious or other options by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for residents.

Achievements and performance

Over the past year, we continue to see an increasing in need in children attending our settings with SEND this is becoming a significant focus of our work with 79 out of 113 children requiring some additional support to access services. We are seeing a greater number of families requiring help with basic needs such as food, clothes and warmth due to the current cost of living and energy crisis. Our focus has always been to support families living in high areas of deprivation and this has increased in the past year.

Footsteps Nunsmoor continues to deliver playgroup services, children access playgroup either through morning or afternoon sessions.

We have continued to deliver 1-1 support and focused development sessions to children who require extra support to access their Early Years Entitlement, Inclusion funding from Newcastle City Council and grant funding from St James Place Foundation has enabled this 1-1 work, and has been used to purchase resources to support children's learning and play experiences.

Footsteps Nunsmoor received a very positive Ofsted inspection in January 2023 where we were graded good in all areas. Inspectors noted that the setting was warm and welcoming and that children have strong relationships with staff. Our curriculum was described as ambitious, clear and age appropriate, our use of observations and assessments help children to progress to the next steps in their learning.

Footsteps Dolphin Street continues to see an increase in children attending with SEND, our team are highly skilled and experienced Early Years Educators who are committed to providing a fully inclusive early years experience for all children and families. Our most recent Ofsted inspection (2019) graded our work outstanding stating that we provide a welcoming, non-judgemental and special atmosphere.

Funding from the LGA Foundation has allowed us to provide intensive interactions and extensive 1-1 work with children needing extra support.

All of our settings continue to provide support to children with complex needs. These range from children who are looked after, children subject to child protection plans or Early Help Plans, children with disabilities and children with complex health needs. All of these children received appropriate support with some families successfully coming off plan and children with SEND making significant progress.

Early Years Pupil Premium has been used to purchase resources that support children's learning based upon their interests and areas of development. We have brought in specialist in music and movement, and the children absolutely love the session delivered by Rhythm Time.

Footsteps Mobile Crèche

We currently provide crèche facilities at George Street Road to Recovery trust. The crèche delivered twice per week allows service users at Road to Recovery to attend support sessions, build friendships and offer support to others in their addiction recovery journey.

Parents are confident that their children are well cared for and fun activities offered during their sessions and can therefore concentrate their efforts on their own recovery and supporting others.

Footsteps Westgate

This service provides crèche to children whose parents are accessing adult learning opportunities at Westgate Community College.

A large proportion of parents are attending English-speaking classes and therefore most of the children have English as an additional language. In offering this service at Westgate it allows parents to access education and in turn may provide more job opportunities in the future. This can have long lasting and wide impact on the family unit as a whole, and can act as a motivator for future generations. So whilst it can be viewed that we offer a childcare service, we feel without the childcare element parents simply would not be able to progress their education, employment and some degree their lives in the same way if we did not provide the childcare. We are very proud of all that has been achieved at Westgate.

Footsteps Ponteland

Our after school club at Ponteland continues to go from strength to strength, we have seen increased occupancy with the service being used every day by families requiring after school care to support their work commitments.

Ponteland was inspected by Ofsted in March 2022 and received a very positive report, the inspector noted "Staff are warm, caring and kind. They form lovely relationships with the children who are happy settled and secure"

We have experienced some difficulties in recruitment at Ponteland due to the reduced working hours and location, but our existing team have come together to cover gaps and ensure service delivery can continue.

Funding Received

St James Place

We received £2500 from St James Place in March 2023. This funding allows us to deliver 1-1 work and focused development sessions for children who have SEND. We have seen great progress achieved at our Nunsmoor site through this funding.

LGA Foundation

We received £10,000 from LGA foundation in March 2023, this support allows us to deliver intensive 1-1 work with children with SEND at our Dolphin Street site, this funding is so very important to our work. It allows us to operate at a higher staff ratio to ensure children with significant and complex SEND can receive the targeted and specialist support they need from our dedicated staff team, making outstanding progress in their learning and physical development.

LGA Foundation have also provided a £2000 grant to alleviate hardship, with this grant we have been able to offer not only food and clothes to families in need, but have been able to offer blankets, bedding, warm socks, hats and gloves to support our families during the

Winter months where they simply have not been in a financial position to heat their homes to keep warm. The hardship fund also allowed us to extend the nursery day one day per week to targeted children, this meant they could stay at nursery until 4pm and then attend a family club warm zone between four and six pm, where they would receive a hot meal and activities for the whole family.

Connected Voice

We received £4000 from Connected Voice VSCE Cost of Living Crisis Fund. This was awarded to recognise the increasing costs of energy prices, food increase, general cost of living that has impacted voluntary sector organisations This funding was allocated to our core costs to aid with rent, rate and heat light and power.

Your Homes Newcastle

We were successful in securing £445 from Your Homes Newcastle. This project was designed to support families currently attending Footsteps Dolphin Street nursery this provided opportunity to meet together for a meal and fun activities. The invitation was offered to the whole family including siblings of school age.

The sessions were run in collaboration with Action for Children who provided a worker to connect with parents and school aged children, they also provided a hot meal for the families to share. Footsteps Dolphin St with the financial support from YHN opened our building after hours providing a warm space to deliver from, we also provided two workers to provide activities and care to pre-school children. For children who were only funded to attend nursery until 3pm, we were funded by LGA Foundation to provide workers for an extra hour of care to remain at nursery until 4pm to be able to attend the session.

Training and Development

Training this year has been focused on the EYFS reforms, we have been focused on writing our curriculum. This was completed with working groups from our staff team, who worked hard to consider the skills and experiences that our children come in with (Cultural Capital) and how to build upon these life experiences with an ambitious and inspirational curriculum.

We have renewed First Aid Training, Safeguarding Training and Food Safety where required. The team have completed various health and safety online modules, as well as in person training delivered both by ourselves and outside agencies.

We are delighted that team members have completed the pilot SENCO Level 3 qualification with Newcastle City Council. We have had two team members that have also completed the government funded Early Years Professional Development Programme.

Training plans for the year ahead include more of our team completed both the Senco Level 3 qualification and more team members completing the EYPDP.

The CEO has provided mentoring and support to all managers to develop their leadership skills, and continues to offer training around performance management and leadership.

Public benefit statement

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's objectives and planning its future activities. This annual report will aim to demonstrate the link between our charitable activity and how this benefits our service users.

Financial review

Footsteps Children's Services Ltd is funded by grant income from Newcastle City Council, parent fees, agency nursery fees and crèche fees. The total income for the period was £357731. This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice.

The Statement of Financial Activities for the period shows a deficit across all funds of £30637 this is connected to the National childcare government funding issues and the increases in minimum wage, the review of staff salaries was long overdue (2017) and Footsteps' reputation is a result of the dedication and commitment of our team. So although this amount is significant it was planned for and we do still hold a 3 month operational costs reserve. There has been an increase in Early Years Funding and whilst there is a further minimum wage increase, we anticipate having a plan in place to return to a break even point within the next two years.

The Balance Sheet at 31 August 2023 shows total funds carried forward of £79849 of which there are £10430 restricted funds.

We claimed a Bounce Back Loan of £30,000 we have begun to repay this on a monthly basis, the current balance is £11500.

Reserves policy

Footsteps Children's Services Ltd has maintained a small level of free reserves over the years currently £69,419 to meet the working capital requirements of the charity in the event of a significant drop in funding. It has established a policy whereby the unrestricted funds held by the charity should be between 3 and 6 months of annual expenditure. At 31 August 2023 free reserves represent 3 months of running costs which the trustees believe to be prudent in light of challenges faced in securing funding.

Designated Funds

The trustees have anticipated the following extra ordinary costs over the next twelve months and have chosen to designate some of the reserve funds as follows whilst still allowing for £65k (three months running costs) to be retained:

- **£2000 Cyber Security Certification**
- **£2000 IT software update**

Governance

We have a committed Board of Trustees and are in the process of recruiting a new member. We are keen to explore opportunities to recruit from communities that reflect the diversity of our service users and staff team.

Risk Management

The Board of Trustees understands the importance of assessing major risks that the Charity could face. Appropriate systems, controls and procedures have been established to reduce our exposure, and manage, monitor and mitigate risk and uncertainty.

An annual review of the major risks faced by the Charity is undertaken and the Trustees are satisfied that our procedures are in line with our risk management process.

Risk management is considered at regular Trustee meetings and sub groups where any changes or new risks identified are considered and responded to.

Currently the greatest risk the charity faces continues to ongoing increases in minimum wage and whilst Early Years Funding has been increased it does not match the rate of minimum wage increases. There is simply not enough government funding attached to the Early Years Entitlement offered to parents to cover actual costs of care, this is a sector wide problem and not exclusive to our charity. There is also a current recruitment crisis within the sector, this is partly to do with very experienced workers and leaders within the sector simply feeling disillusioned by the governments approach to Early Years and how we were treated during the pandemic that they have simply walked away from the sector. It is also exceptionally difficult to recruit new workers to the sector as there is insufficient funding to offer them an appropriate wage for the level of responsibility they have in caring for children, they can get a far less responsible job for greater financial reward. This is sector wide and not specific to our charity, and until the government recognise that they are not investing enough money in to Early Years this will continue to be a problem.

The cost of living and energy crisis, poses some risk to our current expenditure, there are rising costs for food and energy. This is having a huge impact on our families, we are working in collaboration with other organisations to help meet the needs of our local communities but we do face the same challenges with regards to rent increase and energy and food costs. We have sufficient reserve to cover these costs but will also seek additional funding to support these costs. We will be exploring new options of income generation

Finance

Our current income streams are as follows:

Early Years Offer 2, 3 and 4-year-old offer Newcastle City Council

This is our main source of income and in 22/23 accounted for 53% of our income, the funding is allocated per child and we only receive the funding if the child is in attendance. The funding is paid by an initial 75% payment at the start of each term followed by a balancing payment on submission of headcount data to the local authority. We receive a projected

budget set by the local authority based upon the previous year's payments, with amends being made on balancing payments to reflect actual numbers of children in attendance.

Inclusion Funding

As a high proportion of the children in our care present with SEND then we also receive inclusion funding from Newcastle City Council, this funding is for individual children and can only be used for their education and welfare. We do not anticipate inclusion funding itself to drop this year, but the higher level of need means that funding across the city needs to stretch further. We work closely with the Local Authority and have built a strong reputation for our SEND work, the CEO plans to work with the local authority to consider the citywide criteria for inclusion funding. We will continue to strive to source additional funding through grants and trusts to support our service delivery.

Deprivation Funding

This funding is allocated to providers who work with families in high areas of deprivation, the purpose of this is in recognition that families living in high areas of disadvantage may require additional support to other families to help narrow the gap between the most disadvantaged and other members of the community. It is also recognised that Early Years Provision is required within high areas of deprivation but is not always financially viable due to the lack of fee paying parents. The deprivation can help towards core costs for service delivery.

This funding can also be used on enrichment activities for children, in the past it has been used to develop outdoor spaces as lots of children living in the inner city do not have safe outdoor play spaces. We have used funding to backfill staff to support families, and have bought in extra activities such as music and arts specialists.

Parents Fees

This is the income generated by parents paying for our services, as we mainly cater for families living in high areas of deprivation then this income is now mainly generated from our after school provision in Ponteland.

Contracts

Early Years

We currently hold contracts with Newcastle City Council for the delivery of Early Years Education 2, 3 and 4-year-old offer.

As the Early Years Sector has been underfunded for years, it is now on the political agenda to address this issue. The current suggestions being offered by the government are not a solution to this problem as they are suggesting an increase in funded places, but the actual rate of funding is not sufficient to deliver their proposal. However, it is not anticipated that

there will be any reductions in funding for Early Years as affordable and accessible childcare is crucial in rebuilding the economy.

Westgate Crèche

We hold a contract with Newcastle City Council Children, Education and Skills Directorate for the delivery of Crèche Provision at Westgate College, this has a contract value of £40k per annum, however gets topped up by other funding and usually generates between £40-£45k per annum.

This contract was renewed for financial year 22-23 and has been secured for 23-24.

Mobile Crèche

Our mobile service currently provides crèche to George St Road to Recovery Trust, enabling those in addiction recovery to attend support sessions and support others along their path to recovery. We deliver crèche twice per week with a current contract value of approximately £7500 per annum depending upon bookings.

Summary

At Footsteps we are committed to serving the families most at need and do not shy away from situations that are viewed as complex and require significant investment of time and care. We have a team of dedicated highly skilled professionals that provide an inclusive and welcoming service to our local community. We are committed to facing any challenges head on, and finding solutions or adapting services where needed.

It is getting increasingly difficult to deliver services that are financially viable and this set of accounts reflects that. Whilst we did make a loss this financial year, it was planned for as we completed a salary review and made salary adjustments for the first time since 2017.

The biggest challenge we have in the coming year is to reduce the anticipated deficit to protect our current level of reserves. There has been an increase in Government funding for Early Years so this will go some way to reduce the deficit, but realistically we will be looking at a two year period before we begin to break even or generate any profit. We have funders committed to support our work and fund a new building to deliver services from, this has the potential to generate income and raise the profile of work.

At Footsteps we have always been able to pride ourselves in giving our very best in all that we do, we offer child centred care, working through complex caseloads with passion and drive. Over time we have seen growth not just in the number of sites that we have but also in the number of children attending and an increase in the level of need these children present with.

The past twelve months have been financially challenging, we have been impacted by increases in minimum wage, and the cost of living crisis. We will continue to work through the difficulties we have experienced as our commitment to the work remains as strong as ever. The needs of local families are only increasing and whilst we are in a position to help, we will continue to do so. We may need to use some reserves to ride this storm, but we are dedicated to secure a long term solution to the current financial situation. This may include expanding some services we currently offer and securing further grant funding.

Roy Disney says “it’s not difficult to make decisions when you know what your values are”

Our organisational values remain the same to operate from a place of kindness, compassion and no judgement. All of the decision we make moving forwards will be based on this foundation. We will be investing time in our people, developing knowledge and skills of the workforce to ensure high quality service delivery, and a motivated and well cared for staff team.

We will complete tasks associated with the embedding of our curriculum, and complete regular self evaluation to ensure that we are exceeding Ofsted requirements in terms of service delivery. We will ensure that our current SEND support remains innovative and effective in meeting the needs of children.

The CEO will be focusing their attention on the following areas:

Sustainability: The CEO currently acts as a PVI rep for the city on Schools Forum, a panel designed to allocate the education budget received in to the city. This ensures that the PVI sector views are heard by the city in terms of the allocation of funding.

The CEO will be aiming to generate £30,000 through grant funding and fundraising events in 23/24 to date they have achieved £14,000

The CEO has been selected as a member of the SEND Executive Board for Newcastle City Council and will act as PVI representative, The Board is responsible for SEND 0-25 Services in Newcastle upon Tyne

The CEO will continue to provide line management to the leadership team, and seeks to create and deliver a leadership programme for all current and aspiring leaders within the organisation.

The CEO remains committed to leading the organisation in meeting the needs of local children and families through delivering high quality services.

Organisational goals for the year ahead would be to see an increase in diverse active Board Members.

We are keen to develop our excellent SEND work we currently deliver and are in the process of submitting a planning application for the development of a new building to deliver services from our site at Dolphin Street. This work is being wholly subsidised as a gift from a local funding organisation. There will be further developments to share on this work over the coming 12 months.

We will continue to work with Peninsula, our Human Resources and Health and Safety consultants to ensure we meet all of our legal and moral obligations for everyone we employ.

The plans we have for the future to secure, develop and review our services will be done to ensure sustainability of the organisation and we will share updates on the progress of these plans on a regular basis through existing staff meeting structures.

We seek to continue to meet our initial aims and objectives whilst being responsive to the need around us, and flexible in our approach to meet the needs of service users within our financial capacity.



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

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

L. Brady
Trustee
25 April 2024

A handwritten signature in black ink, appearing to read "L. Brady", is written over the printed name and title.

Independent Examiner's Report to the trustees of Footsteps Children's Services Ltd

I report to the charity trustees on my examination of the financial statements of Footsteps Children's Services Ltd for the year ended 31 August 2023.

Responsibilities and basis of report

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

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

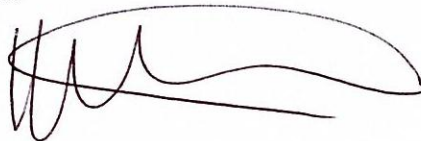
Independent examiner's statement

As 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 FFA FTA, which is one of the listed bodies.

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- 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.



Kay Wightman FFA FTA
Accounting for Good CIC
2 Geordie Ridley Place
Upper Precinct Wesley Court
Blaydon on Tyne
Tyne and Wear
NE21 5BT
25 April 2024

Footsteps Children's Services Ltd
Statement of Financial Activities
for the year ended 31 August 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments					
from:					
Donations and legacies	4	814	-	814	687
Charitable activities	5	337,596	19,050	356,646	380,313
Investments	6	271	-	271	11
Total		338,681	19,050	357,731	381,011
Expenditure on:					
Raising funds	7	248	-	248	162
Charitable activities	8	232,716	14,634	247,350	234,395
Operations of the Charity	9	136,694	4,076	140,770	137,414
Total		369,658	18,710	388,368	371,971
Net gains on investments		-	-	-	-
Net (expenditure)/income	10	(30,977)	340	(30,637)	9,040
Transfers between funds		-	-	-	-
Net (expenditure)/income before other gains/(losses)		(30,977)	340	(30,637)	9,040
Other gains and losses					
Net movement in funds		(30,977)	340	(30,637)	9,040
Reconciliation of funds:					
Total funds brought forward		100,396	10,090	110,486	101,446
Total funds carried forward		69,419	10,430	79,849	110,486

Footsteps Children's Services Ltd
Summary Income and Expenditure Account
for the year ended 31 August 2023

	2023	2022
	£	£
Income	357,460	381,000
Interest and investment income	271	11
Gross income for the year	<u>357,731</u>	<u>381,011</u>
Expenditure	386,643	370,286
Interest payable	519	669
Depreciation and charges for impairment of fixed assets	1,206	1,016
Total expenditure for the year	<u>388,368</u>	<u>371,971</u>
Net (expenditure)/income before tax for the year	(30,637)	9,040
Net (expenditure)/income for the year	<u><u>(30,637)</u></u>	<u><u>9,040</u></u>

Footsteps Children's Services Ltd

Balance Sheet

at 31 August 2023

Company No. 06866200	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	12	1,078	1,702
		<u>1,078</u>	<u>1,702</u>
Current assets			
Debtors	13	87	2,076
Cash at bank and in hand		150,058	180,918
		<u>150,145</u>	<u>182,994</u>
Creditors: Amount falling due within one year	14	(59,874)	(56,710)
Net current assets		<u>90,271</u>	<u>126,284</u>
Total assets less current liabilities		91,349	127,986
Creditors: Amounts falling due after more than one year	16	(11,500)	(17,500)
Net assets excluding pension asset or liability		<u>79,849</u>	<u>110,486</u>
Total net assets		<u><u>79,849</u></u>	<u><u>110,486</u></u>
The funds of the charity			
Restricted funds			
Restricted income funds	17	10,430	10,090
		<u>10,430</u>	<u>10,090</u>
Unrestricted funds			
General funds	17	65,419	100,396
Designated funds		4,000	-
		<u>69,419</u>	<u>100,396</u>
Reserves	17		
Total funds		<u><u>79,849</u></u>	<u><u>110,486</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 August 2023 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

Approved by the board on 25 April 2024

And signed on its behalf by:



L. Brady
Trustee

Footsteps Children's Services Ltd
Statement of Cash flows
for the year ended 31 August 2023

	2023 £	2022 £
Cash flows from operating activities		
Net (expenditure)/income per Statement of Financial Activities	(30,637)	9,040
Adjustments for:		
Depreciation of property, plant and equipment	1,206	1,016
Dividends, interest and rents from investments	(271)	(11)
Decrease in trade and other receivables	1,989	20,686
Increase/(Decrease) in trade and other payables	2,869	(7,311)
Net cash (used in)/provided by operating activities	<u>(24,844)</u>	<u>23,420</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(582)	(1,054)
Dividends, interest and rents from investments	271	11
Net cash used in investing activities	<u>(311)</u>	<u>(1,043)</u>
Cash flows from financing activities		
Repayment of borrowings	(6,000)	(6,000)
Net cash used in financing activities	<u>(6,000)</u>	<u>(6,000)</u>
Net (decrease)/increase in cash and cash equivalents	(31,155)	16,377
Cash and cash equivalents at the beginning of the year	180,918	165,552
Cash and cash equivalents at the end of the year	<u>149,763</u>	<u>181,929</u>
Components of cash and cash equivalents		
Cash and bank balances	150,058	180,918
Bank overdrafts	(90)	-
	<u>149,968</u>	<u>180,918</u>

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

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

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer Equipment	33% Straight Line
Leasehold Property Improvements	20% Straight Line

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

Notes to the Accounts

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Income and endowments from:			
Donations and legacies	687	-	687
Charitable activities	354,313	26,000	380,313
Investments	11	-	11
Total	<u>355,011</u>	<u>26,000</u>	<u>381,011</u>
Expenditure on:			
Raising funds	162	-	162
Charitable activities	226,080	8,315	234,395
Other	129,819	7,595	137,414
Total	<u>356,061</u>	<u>15,910</u>	<u>371,971</u>
Net income	<u>(1,050)</u>	<u>10,090</u>	<u>9,040</u>
Net income before other gains/(losses)	<u>(1,050)</u>	<u>10,090</u>	<u>9,040</u>
Other gains and losses:			
Net movement in funds	<u>(1,050)</u>	<u>10,090</u>	<u>9,040</u>
Reconciliation of funds:			
Total funds brought forward	101,446	-	101,446
Total funds carried forward	<u><u>100,396</u></u>	<u><u>10,090</u></u>	<u><u>110,486</u></u>

4 Income from donations and legacies

	Unrestricted £	Total 2023 £	Total 2022 £
Fundraising	814	814	687
	<u>814</u>	<u>814</u>	<u>687</u>

5 Income from charitable activities

	Unrestricted £	Restricted £	Total 2023 £	Total 2022 £
Grants and Contracts	337,596	19,050	356,646	380,313
	<u>337,596</u>	<u>19,050</u>	<u>356,646</u>	<u>380,313</u>

Notes to the Accounts

6 Income from investments

	Unrestricted	Total 2023	Total 2022
	£	£	£
Bank interest	271	271	11
	<u>271</u>	<u>271</u>	<u>11</u>

7 Expenditure on raising funds

	Unrestricted	Total 2023	Total 2022
	£	£	£
<i>Fundraising trading costs</i>	248	248	162
	<u>248</u>	<u>248</u>	<u>162</u>

8 Expenditure on charitable activities

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
<i>Expenditure on charitable activities</i>				
Grants and Contracts	210,715	12,911	223,626	219,636
Children's Resources	22,001	1,723	23,724	14,759
<i>Governance costs</i>				
	<u>232,716</u>	<u>14,634</u>	<u>247,350</u>	<u>234,395</u>

9 Other expenditure

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Other interest payable	519	-	519	669
Employee costs	81,503	-	81,503	76,336
Motor and travel costs	2,248	-	2,248	1,166
Premises costs	21,296	4,000	25,296	29,260
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	1,206	-	1,206	1,016
General administrative costs	19,711	76	19,787	17,116
Legal and professional costs	10,211	-	10,211	11,851
	<u>136,694</u>	<u>4,076</u>	<u>140,770</u>	<u>137,414</u>

10 Net (expenditure)/income before transfers

	2023	2022
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	1,206	1,016

Notes to the Accounts

11 Staff costs

	2023	2022
Salaries and wages	61,816	58,059
Social security costs	13,902	12,506
Pension costs	3,413	3,062
	<u>79,131</u>	<u>73,627</u>

No employee received emoluments in excess of £60,000.

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

	2023	2022
	Number	Number
Charitable Activities	22	24
	<u>22</u>	<u>24</u>

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund

12 Tangible fixed assets

	Computer Equipment	Leasehold Property Improvements	Total
	£	£	£
Cost or revaluation			
At 1 September 2022	3,358	-	3,358
Additions	582	-	582
At 31 August 2023	<u>3,940</u>	<u>-</u>	<u>3,940</u>
Depreciation and impairment			
At 1 September 2022	1,656	-	1,656
Depreciation charge for the year	1,206	-	1,206
At 31 August 2023	<u>2,862</u>	<u>-</u>	<u>2,862</u>
Net book values			
At 31 August 2023	<u>1,078</u>	<u>-</u>	<u>1,078</u>
At 31 August 2022	<u>1,702</u>	<u>-</u>	<u>1,702</u>

13 Debtors

	2023	2022
	£	£
Trade debtors	-	2,076
Prepayments and accrued income	87	-
	<u>87</u>	<u>2,076</u>

Notes to the Accounts

14 Creditors:

amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	6,090	6,000
Trade creditors	1,496	157
Other taxes and social security	2,299	1,278
Other creditors	638	-
Accruals	1,849	1,644
Deferred income	47,502	47,631
	<u>59,874</u>	<u>56,710</u>

The business interruption loan commenced 23 July 2020, there were no repayments or interest for 12 months then six years to pay back with no early payment charge

15 Deferred Income

Movement of the deferred income shown in Creditors: amounts falling due within one year

	2023	2022
	£	£
At 1 September	47,630	53,503
Released in current year	(47,630)	(53,503)
Deferred in current year	47,502	47,630
At 31 August	<u>47,502</u>	<u>47,630</u>

16 Creditors:

amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	11,500	17,500
	<u>11,500</u>	<u>17,500</u>
Liabilities repayable in more than five years after the balance sheet date		
Amount repayable by instalments	11,500	17,500
	<u>11,500</u>	<u>17,500</u>

The business interruption loan commenced 23 July 2020, there were no repayments or interest for 12 months then six years to pay back with no early payment charge

17 Movement in funds

	At 1 September 2022	Incoming resources (including other gains/losses) £	Resources expended £	Gross transfers £	At 31 August 2023 £
Restricted funds:					
Restricted income funds:					
Reece Group	3,513	-	(3,513)	-	-
LGA Foundation	6,132	12,000	(9,531)	-	8,601
St James's Place Charitable	445	2,500	(1,116)	-	1,829
Connected Voice	-	4,000	(4,000)	-	-
Your Homes Newcastle	-	550	(550)	-	-
<i>Total</i>	<u>10,090</u>	<u>19,050</u>	<u>(18,710)</u>	<u>-</u>	<u>10,430</u>
Unrestricted funds:					
General funds	100,396	338,681	(369,658)	(4,000)	65,419
Designated funds:					
Cyber Security Certification	-	-	-	2,000	2,000
IT Software Updates	-	-	-	2,000	2,000
<i>Total</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>4,000</u>
Total funds	<u>110,486</u>	<u>357,731</u>	<u>(388,368)</u>	<u>-</u>	<u>79,849</u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Reece Group	Providing 1:1 support for children with additional needs and resources for the sensory room.
LGA Foundation	Providing a contribution towards core costs
St James's Place Charitable	Providing 1:1 support for children with additional needs
Connected Voice	Providing 1:1 support for children with additional needs
Your Homes Newcastle	Cost of living fund for warm spaces

Designated funds:

Cyber Security Certification
IT Software Updates

Notes to the Accounts

18 Analysis of net assets between funds

	Unrestricted funds	Total
	£	£
Fixed assets	1,078	1,078
Net current assets	90,271	90,271
Creditors due in more than one year and provisions	(11,500)	(11,500)
	<u>79,849</u>	<u>79,849</u>

19 Reconciliation of net debt

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
Cash and cash equivalents	180,918	(30,860)	150,058
	<u>180,918</u>	<u>(30,860)</u>	<u>150,058</u>
Bank loans	(23,500)	6,000	(17,500)
	<u>(23,500)</u>	<u>6,000</u>	<u>(17,500)</u>
Net debt	<u>157,418</u>	<u>(24,860)</u>	<u>132,558</u>

20 Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2023	2023	2022	2022
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Operating leases with expiry date:				

Pension commitments

	2023	2022
	£	£
The pension cost charge to the company amounted to:	<u>3,413</u>	<u>3,062</u>

21 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Footsteps Children's Services Ltd
Detailed Statement of Financial Activities
for the year ended 31 August 2023

	Unrestricte d funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:				
Donations and legacies				
Fundraising	814	-	814	687
	<u>814</u>	<u>-</u>	<u>814</u>	<u>687</u>
Charitable activities				
Grants and Contracts	337,596	19,050	356,646	380,313
	<u>337,596</u>	<u>19,050</u>	<u>356,646</u>	<u>380,313</u>
Investments				
Bank interest	271	-	271	11
	<u>271</u>	<u>-</u>	<u>271</u>	<u>11</u>
Total income and endowments	338,681	19,050	357,731	381,011
Expenditure on:				
Costs of other trading activities				
	248	-	248	162
	<u>248</u>	<u>-</u>	<u>248</u>	<u>162</u>
Total of expenditure on raising funds	248	-	248	162
Charitable activities				
Grants and Contracts	210,715	12,911	223,626	219,636
Children's Resources	22,001	1,723	23,724	14,759
	<u>232,716</u>	<u>14,634</u>	<u>247,350</u>	<u>234,395</u>
Total of expenditure on charitable activities	232,716	14,634	247,350	234,395
Other expenditure				
Other interest payable	519	-	519	669
	<u>519</u>	<u>-</u>	<u>519</u>	<u>669</u>
Employee costs				
Salaries/wages	61,816	-	61,816	58,059
Employer's NIC	13,902	-	13,902	12,506
Pension costs	3,413	-	3,413	3,062
Staff recruitment	6	-	6	18
Staff training	2,129	-	2,129	2,276
Staff welfare	237	-	237	415
	<u>81,503</u>	<u>-</u>	<u>81,503</u>	<u>76,336</u>
Motor and travel costs				
Travel and subsistence	2,248	-	2,248	1,166
	<u>2,248</u>	<u>-</u>	<u>2,248</u>	<u>1,166</u>
Premises costs				
Rent	12,073	4,000	16,073	16,623

Footsteps Children's Services Ltd
Detailed Statement of Financial Activities

Rates	417	-	417	394
Light, heat and power	3,488	-	3,488	3,496
Premises cleaning	1,914	-	1,914	2,092
Premises repairs and maintenance	3,404	-	3,404	6,655
	<u>21,296</u>	<u>4,000</u>	<u>25,296</u>	<u>29,260</u>
General administrative costs, including depreciation and amortisation				
Depreciation of Computer Equipment	1,206	-	1,206	1,016
Depreciation of Leasehold Property Improvements	-	-	-	-
Bad debts	287	-	287	1,152
Bank charges	146	-	146	148
Equipment expensed	1,015	76	1,091	98
General insurances	3,403	-	3,403	2,901
Software, IT support and related costs	4,931	-	4,931	4,665
Stationery and printing	5,409	-	5,409	4,221
Sundry expenses	1,453	-	1,453	589
Telephone, fax and broadband	3,067	-	3,067	3,342
	<u>20,917</u>	<u>76</u>	<u>20,993</u>	<u>18,132</u>
Legal and professional costs				
Audit/Independent examination fees	1,800	-	1,800	1,500
Accountancy and bookkeeping	2,030	-	2,030	2,381
Consultancy fees	5,047	-	5,047	6,534
Other legal and professional costs	1,334	-	1,334	1,436
	<u>10,211</u>	<u>-</u>	<u>10,211</u>	<u>11,851</u>
Total of expenditure of other costs	<u>136,694</u>	<u>4,076</u>	<u>140,770</u>	<u>137,414</u>
Total expenditure	<u>369,658</u>	<u>18,710</u>	<u>388,368</u>	<u>371,971</u>
Net gains on investments	-	-	-	-
	<u>(30,977)</u>	<u>340</u>	<u>(30,637)</u>	<u>9,040</u>
Net (expenditure)/income	<u>(30,977)</u>	<u>340</u>	<u>(30,637)</u>	<u>9,040</u>
Net (expenditure)/income before other gains/(losses)	<u>(30,977)</u>	<u>340</u>	<u>(30,637)</u>	<u>9,040</u>
Other Gains	-	-	-	-
Net movement in funds	<u>(30,977)</u>	<u>340</u>	<u>(30,637)</u>	<u>9,040</u>
Reconciliation of funds:				
Total funds brought forward	100,396	10,090	110,486	101,446
Total funds carried forward	<u>69,419</u>	<u>10,430</u>	<u>79,849</u>	<u>110,486</u>

FOOTSTEPS CHILDREN'S SERVICES LTD

England & Wales - Charity number 1146996

Accounts



Footsteps Children's Services Ltd

Charity No. 1146996

Company No. 06866200

Trustees' Report and Unaudited Accounts

31 August 2022

Footsteps Children's Services Ltd
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Footsteps Children's Services Ltd
Trustees Annual Report

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 August 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 06866200

Charity No. 1146996

Registered Office

Suite 14
John Buddle Work Village
Buddle Road
Newcastle
NE4 8AW

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law. The following Directors and Trustees served during the year:

L. Brady
A.J. Johnson
P. Lofthouse
E. Lowther

Accountants

Accounting for Good CIC
The Winlaton Centre
North Street
Winlaton
Tyne and Wear
NE21 6BY

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

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

L. Brady
Trustee



02 March 2023



Trustees Report 2021-2022

The trustees are pleased to present their annual Trustees report together with financial statements of the charity for the year ended 31 August 2022 that are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

The Charity is established to act as a resource for children up to the age of 12 years living in North East of England (area of benefit) by providing advice and assistance, organising physical, social and learning activities to enable them to participate in society as independent. Mature and responsible individuals through:

- a) Advancement in life, helping children and young people to develop their skills, capacities and capabilities.
- b) Advancement in educational engagement and attainment.
- c) Improving social welfare: responding to and instigating early interventions where the whole family is supported.
- d) Reducing poverty and improving conditions of life for people living in the area of benefit

The Charity does this by providing:

- full and part-time Early Years Education
- mobile crèche facilities to support the work of voluntary and community groups,
- crèche facilities to support the delivery of adult and family learning,
- out of school and 'wrap-around' provision,
- advice and support to vulnerable families, including access to a food and clothing bank, and referral to specialist support services
- support to children with additional needs and disabilities
- Collaborative work to support families through cost of living crisis

The purpose of the Charity is also to further benefit the residents of Newcastle and the neighbourhood without distinction of sex, sexual orientation, race or of political, religious or other options by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for residents.

Achievements and performance

The past year we have returned to service delivery following the Covid 19 Pandemic and the impact of Lockdowns on young children has been evident. We are experiencing an extraordinary amount of children presenting with social communication difficulties and speech and language delays, there is high level of need for children with SEND, and we are seeing the needs of local people in high areas of deprivation increase, and more people accessing our food and clothes banks.

Footsteps Nunsmoor continues to deliver playgroup services, children access playgroup either through morning or afternoon sessions.

We have continued to deliver 1-1 support and focused development sessions to children who require extra support to access their Early Years Entitlement, Funding from Reece Group and St James Foundation has enabled this 1-1 work, and has been used to purchase resources to support children's learning and play experiences.

Footsteps Dolphin Street following the most recent Ofsted inspection in April 2019 where this setting was graded Outstanding in all areas we have continued to offer a variety of services to local families we also provide emergency care packages that include food, nappies and clothing. Numbers of children accessing services continues to rise.

We have secured funding from LGA Foundation to develop our sensory room, we have been able to add padding to the walls and to the floor and buy specialist equipment. We also used this funding to develop our garden area; we replaced the turf, painted the fences and purchased sensory resources. This funding contributed to staff costs to provide enhanced ratios to provide services to children who require support to access all that nursery life has to offer.

We have continued to allocate previous Reece funding to provide a 1-1 and group sessions. This normally takes the format of three one-hour sessions per week where up to four children within the hour will receive 1-1 support for approximately 15 minutes each. Activities offered in these sessions are specific to the needs of the child, some of which have been identified by our staff team, but we also follow the plans put in place by speech and language therapists and SEN teachers. This funding also supported our food bank and helped to purchase new learning resources for the children.

All of our settings continue to provide support to children with complex needs. These range from children who are looked after, children subject to child protection plans or Early Help Plans, children with disabilities and children with complex health needs. All of these children received appropriate support with some families successfully coming off plan and some children with additional needs making significant progress.

Early Years Pupil Premium has been used to purchase resources that support children's learning based upon their interests and areas of development. We have offered activities such as bug and animal visits, as well as purchasing chick eggs and taking care of them as the children watch them hatch and care for them, before they are returned safely to the provider.

Footsteps Mobile Crèche

Our mobile crèche service has remained low following Covid the reasons for this is twofold, there is simply not as many people delivering face to face training post lockdowns, a lot of providers have switched to online learning and therefore there is not the same demand for crèche provision. However, there are other threads of face to face working that are increasing and there is a demand for crèche however due to the current recruitment, crisis in Early Years we are not able to recruit enough workers to deliver our core services and our crèche provision.

We continue to provide crèche services to The Road to Recovery Trust at George Street Social; this crèche allows those recovering from addiction to access support and group activities.

Footsteps Westgate

This service provides crèche to children whose parents are accessing adult learning opportunities at Westgate Community College, following a restricted service during lockdown we are back delivering on site crèche services allowing parents to access their courses face to face.

A large proportion of parents are attending English-speaking classes and therefore most of the children have English as an additional language. In offering this service at Westgate, it allows parents to access education and in turn may provide more job opportunities in the future. This can have long lasting and wide impact on the family unit as a whole, and can act as a motivator for future generations. So whilst it can be viewed that we offer a childcare service, we feel without the childcare element parents simply would not be able to progress their education, employment and some degree their lives in the same way if we did not provide the childcare. We are very proud of all that has been achieved at Westgate.

Footsteps Ponteland

Our after school club at Ponteland continues to go from strength to strength, we have seen increased occupancy with the service being used every day by families requiring after school care to support their work commitments.

Ponteland was inspected by Ofsted in March 2022 and received a very positive report; the inspector noted, "Staff are warm, caring and kind. They form lovely relationships with the children who are happy settled and secure"

Footsteps Howdon

This site closed in Dec 2021, following multiple lockdowns that affected the take up of places it was not financially viable to keep this site open. All staff were redeployed to vacant roles within the organisation.

Funding Received

Reece Group

We have had a carry forward from an initial Reece grant in 19/20 that has been used to deliver support sessions for children with SEND, through 1-1, focused development time, and extra sessions.

St James Place

We received £2500 from St James Place in Dec 2021. This funding supports children with SEND in the same way the Reece funding does, but it is a different group of children.

Joicey Trust

We received £3500 from Joicey Trust in January 2022 this was in support of our core costs

LGA Foundation

We received £10,000 from LGA foundation in April 2022, this was to allow us to develop our sensory room and garden at Dolphin Street, and this fund will also provide funds to deliver 1-1 work and focused development time for children with SEND.

Training and Development

This year our training has been focused upon the new EYFS reforms, particularly the changes regarding curriculum, we have delivered what to expect when child development training and a safeguarding training course.

Our management team have received training on how to motivate teams, change management and an introduction to imposter syndrome.

Our teams have also had access to an external training programme provided by the local authority, NDNA and other providers. Required training such as safeguarding, first aid etc. has also been provided.

Public benefit statement

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's objectives and planning its future activities. This annual report will aim to demonstrate the link between our charitable activity and how this benefits our service users.

Financial review

Footsteps Children's Services Ltd is funded by grant income from Newcastle City Council, parent fees, agency nursery fees and crèche fees. The total income for the period was £381,011. This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice.

The Statement of Financial Activities for the period shows a surplus across all funds of £9040. The Balance Sheet at 31 August 2022 shows total funds carried forward of £100,396 of which there are £10,090 of restricted funds.

We claimed a Bounce Back Loan of £30,000 we have begun to repay this on a monthly basis, the balance at 31 August 2022 is £23,500.

Reserves policy

Footsteps Children's Services Ltd has maintained a small level of free reserves over the years currently £110,486 to meet the working capital requirements of the charity in the event of a

significant drop in funding. It has established a policy whereby the unrestricted funds held by the charity should be between 3 and 6 months of annual expenditure. At 31 August 2021 Free reserves represent 4 months of running costs that the trustees believe to be prudent in light of challenges faced in securing funding.

Governance

We have reviewed and replaced our Mem and Arts by special resolution this has been approved by Charities Commission and submitted to Companies House.

Risk Management

The Board of Trustees understands the importance of assessing major risks that the Charity could face. Appropriate systems, controls and procedures have been established to reduce our exposure, and manage, monitor and mitigate risk and uncertainty.

An annual review of the major risks faced by the Charity is undertaken and the Trustees are satisfied that our procedures are in line with our risk management process.

Risk management is considered at regular Trustee meetings and sub groups where any changes or new risks identified are considered and responded to.

Currently the greatest risk the charity faces is the increase in minimum wage and the lack of increase in early years funding, there is simply not enough government funding attached to the Early Years Entitlement offered to parents to cover actual costs of care, this is a sector wide problem and not exclusive to our charity. There is also a current recruitment crisis within the sector, this is partly to do with very experienced workers and leaders within the sector simply feeling disillusioned by the governments approach to Early Years and how we were treated during the pandemic that they have simply walked away from the sector. It is also exceptionally difficult to recruit new workers to the sector, as there is insufficient funding to offer them an appropriate wage for the level of responsibility, they have in caring for children; they can get a far less responsible job for greater financial reward. This is sector wide and not specific to our charity, and until the government recognise that they are not investing enough money into Early Years this will continue to be a problem.

The cost of living and energy crisis, poses some risk to our current expenditure, there are rising costs for food and energy. This is having a huge impact on our families; we are working in collaboration with other organisations to help meet the needs of our local communities but we do face the same challenges concerning rent increase and energy and food costs. We have sufficient reserve to cover these costs but will also seek additional funding to support these costs. We will be completing a full review of our reserves as some of the reserve has been allocated to particular areas.

Finance

Our current income streams are as follows:

Early Years Offer 2, 3 and 4-year-old offer /Newcastle, Northumberland and North Tyneside Councils.

This is our main source of income and in 21/22 accounted for 56% of our income, the funding is allocated per child and we only receive the funding if the child attends. The funding is paid by an initial % payment at the start of each term followed by a balancing payment on submission of headcount data to the local authority. We receive a projected budget set by the local authority based upon the previous year's payments, with amends being made on balancing payments to reflect actual numbers of children in attendance.

Inclusion Funding

As a high proportion of the children in our care present with SEND then we also receive inclusion funding, this funding is for individual children and can only be used for their education and welfare. We do not anticipate inclusion funding in itself to drop this year, but obviously we only receive it for the children we have in attendance that qualify for the funding. If our numbers are lower than usual, then it is inevitable that some of the families that choose not to attend may also be the recipient of inclusion funding, and therefore even if there are no "cuts" locally to this funding, our income may still drop due to attendance levels. We may need to secure additional funding through grants and trusts to support our service delivery.

Deprivation Funding

This funding is allocated to providers who work with families in high areas of deprivation, the purpose of this is in recognition that families living in high areas of disadvantage may require additional support to other families to help narrow the gap between the most disadvantaged and other members of the community.

This funding needs to be used on enrichment activities for children, in the past it has been used to develop outdoor spaces, as many children living in the inner city do not have safe outdoor play spaces. We have used funding to backfill staff to support families and have bought in extra activities such as music and arts specialists.

This funding is based upon the data collected from headcount from the previous year and equates to 9% of total funding awarded for eligible children each term. The annual deprivation supplement will be varied; we are notified of our supplement at the end of March annually.

Whilst this funding should be secure for this financial year, it may not be guaranteed in the future, we need to ensure are not relying on this funding to deliver our services, it would be

advantageous to attempt to secure core costs from grants and funds at around £10000 per annum to cover the income usually generated by this fund

Parents Fees

This is the income generated by parents paying for our services, as we mainly cater for families living in high areas of deprivation then this income is now mainly generated from our after school provision in Ponteland.

Contracts

Early Years

We currently hold contracts with Newcastle City Council, Northumberland Council for the delivery of Early Years Education 2, 3 and 4-year-old offer. We currently hold contracts with Newcastle City Council, and Northumberland Council for the delivery of Early Years Education 2, 3 and 4-year-old offer.

It is not anticipated that there will be any reductions in funding for Early Years as affordable and accessible childcare is crucial in rebuilding the economy.

Westgate Crèche

We hold a contract with Newcastle City Council Children, Education and Skills Directorate for the delivery of Crèche Provision at Westgate College, this has a contract value of £40k per annum, however gets topped up by other funding and usually generates £40-£45k per annum.

This contract was renewed for financial year 21-22 and has been secured for 22-23.

Mobile Crèche

Our mobile crèche service is offered using a booking system with associated terms and conditions.

Most of our mobile crèche supports Family Learning, ESOL and Self-Employment/ Entrepreneur based courses. Due to the current situation, there has been no bookings for this service as face-to-face courses are either being deferred or delivered online.

Our mobile crèche business on average generates a gross profit of approx. £2k per annum, and provides work for six workers on an as and when required basis.

We do not anticipate an extensive return to crèche bookings for the foreseeable future.

Summary

At Footsteps we have always been able to pride ourselves in being the very best at what we do, we offer child centred care, working through complex caseloads with passion and drive. Over time, we have seen growth not just in the number of sites that we have but also in the number of children attending and an increase in the level of need these children present with.

The past twelve months have been a period of restoration post Covid, we have reflected upon the services that we offer it is so important to never lose sight of how far you have already come and what you have already achieved Morgan Harker Nichols says "May you never forget how far you have come and the miles it took you just to get to this place"

As Marcel Proust says, "The real voyage of discovery consists not in seeking new landscapes but in having new eyes"

We have considered the impact of both lockdown measures and the current cost of living crisis in our forward planning. We see the year ahead with a new pair of eyes a fresh vision, not looking to create lots of new works, we need to re-discover what we already have, be grateful for how far we have come and be able to plan the future with new eyes.

We are seeing increasing levels of need, and it is taking so much more out of us to deliver our services to a high standard, combine with that the issues facing the sector in terms of recruitment and funding it is understandable that times are challenging but we are focused to keep moving forwards

Our organisation focus for year is teams and tasks. We will be investing time in our people, supporting our managers in the embedding and delivery of the EYFS reforms, we will be launching a leadership-training programme to provide our existing team with opportunity for professional development.

We will complete tasks associated with the embedding and creation of our curriculum, and complete regular self-evaluation to ensure that we are exceeding Ofsted requirements in terms of service delivery. We will ensure that our current SEND support remains innovative and effective in meeting the needs of children.

The CEO will be focusing their attention on the following areas:

Sustainability: The CEO currently acts as a PVI rep for the city on Schools Forum, a panel designed to allocate the education budget received in to the city. This allows them to ensure that the PVI sector needs are heard by the city in terms of the allocation of funding.

The CEO will be aiming to generate £30,000 through grant funding in 22/23 to date they have achieved £16,870.

The CEO has been selected as a member of the SEND Executive Board for Newcastle City Council and will act as PVI representative, The Board is responsible for SEND 0-19 Services in Newcastle upon Tyne

The CEO will continue to provide line management to the leadership team, and will be creating and delivering a leadership programme for all current and aspiring leaders within the organisation.

The CEO remains committed to leading the organisation in meeting the needs of local children and families through delivering high quality services.

Organisational goals for the year ahead would be to see an increase in diverse active Board Members.

We are keen to develop our excellent SEND work we currently deliver and would seek funding to maintain the lead role that provides advice and support to managers and training to teams across the organisation to develop this work further.

We will continue to work with Peninsula, our Human Resources and Health and Safety consultants to ensure we meet all of our legal and moral obligations for everyone we employ.

The plans we have for the future to secure, develop and review our services will be done to ensure sustainability of the organisation and we will share updates on the progress of these plans on a regular basis through existing staff meeting structures.

We seek to continue to meet our initial aims and objectives whilst being responsive to the need around us, and flexible in our approach to meet the needs of service users within our financial capacity.

Independent Examiner's Report to the trustees of Footsteps Children's Services Ltd

I report to the charity trustees on my examination of the financial statements of Footsteps Children's Services Ltd for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

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 your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

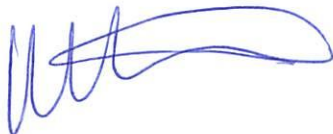
Independent examiner's statement

As 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 FFA FTA.

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (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.



Kay Wightman
FFA FTA
Accounting for Good CIC
The Winlaton Centre
North Street
Winlaton
Tyne and Wear
NE21 6BY
02 March 2023

Footsteps Children's Services Ltd
Statement of Financial Activities
for the year ended 31 August 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:					
Donations and legacies	4	687	-	687	2,309
Charitable activities	5	354,313	26,000	380,313	359,475
Investments	6	11	-	11	56
Total		355,011	26,000	381,011	361,840
Expenditure on:					
Raising funds	7	162	-	162	38
Charitable activities	8	226,080	8,315	234,395	219,130
Other	9	129,819	7,595	137,414	134,861
Total		356,061	15,910	371,971	354,029
Net gains on investments		-	-	-	-
Net income	10	(1,050)	10,090	9,040	7,811
Transfers between funds		-	-	-	-
Net income before other gains/(losses)		(1,050)	10,090	9,040	7,811
Other gains and losses					
Net movement in funds		(1,050)	10,090	9,040	7,811
Reconciliation of funds:					
Total funds brought forward		101,446	-	101,446	93,635
Total funds carried forward		100,396	10,090	110,486	101,446

Footsteps Children's Services Ltd
Summary Income and Expenditure Account
for the year ended 31 August 2022

	2022	2021
	£	£
Income	381,000	361,784
Interest and investment income	11	56
Gross income for the year	<u>381,011</u>	<u>361,840</u>
Expenditure	370,286	353,327
Interest payable	669	62
Depreciation and charges for impairment of fixed assets	1,016	640
Total expenditure for the year	<u>371,971</u>	<u>354,029</u>
Net income before tax for the year	9,040	7,811
Net income for the year	<u>9,040</u>	<u>7,811</u>

Footsteps Children's Services Ltd**Balance Sheet**

at 31 August 2022

Company No.	06866200	Notes	2022 £	2021 £
Fixed assets				
Tangible assets		12	1,702	1,664
			<u>1,702</u>	<u>1,664</u>
Current assets				
Debtors		13	2,076	22,762
Cash at bank and in hand			180,918	165,552
			<u>182,994</u>	<u>188,314</u>
Creditors: Amount falling due within one year		14	(56,710)	(65,032)
Net current assets			126,284	123,282
Total assets less current liabilities			127,986	124,946
Creditors: Amounts falling due after more than one year		16	(17,500)	(23,500)
Net assets excluding pension asset or liability			110,486	101,446
Total net assets			<u>110,486</u>	<u>101,446</u>
The funds of the charity				
Restricted funds				
Restricted income funds		17	10,090	-
			<u>10,090</u>	<u>-</u>
Unrestricted funds				
General funds		17	100,396	101,446
			<u>100,396</u>	<u>101,446</u>
Reserves				
		17		
Total funds			<u>110,486</u>	<u>101,446</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 August 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

Approved by the board on 09 February 2023

And signed on its behalf by:



L. Brady

Trustee

02 March 2023

Footsteps Children's Services Ltd
Statement of Cash flows
for the year ended 31 August 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net income per Statement of Financial Activities	9,040	7,811
Adjustments for:		
Depreciation of property, plant and equipment	1,016	640
Dividends, interest and rents from investments	(11)	(56)
Decrease/(Increase) in trade and other receivables	20,686	(17,528)
(Decrease)/Increase in trade and other payables	(7,311)	15,251
Net cash provided by operating activities	<u>23,420</u>	<u>6,118</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(1,054)	(2,304)
Dividends, interest and rents from investments	11	56
Net cash used in investing activities	<u>(1,043)</u>	<u>(2,248)</u>
Cash flows from financing activities		
Repayment of borrowings	(6,000)	(500)
Net cash used in financing activities	<u>(6,000)</u>	<u>(500)</u>
Net increase in cash and cash equivalents	16,377	3,370
Cash and cash equivalents at the beginning of the year	165,552	162,182
Cash and cash equivalents at the end of the year	<u>181,929</u>	<u>165,552</u>
Components of cash and cash equivalents		
Cash and bank balances	180,918	165,552
	<u>180,918</u>	<u>165,552</u>

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

Designated funds These are unrestricted funds earmarked by the trustees for particular purposes.

Revaluation funds These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.

Restricted funds These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

Income with related expenditure Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

Donations and legacies Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

Tax reclaims on donations and gifts Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

Donated services and facilities These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

Volunteer help The value of any volunteer help received is not included in the accounts.

Investment income This is included in the accounts when receivable.

Gains/(losses) on revaluation of fixed assets This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

Gains/(losses) on investment assets This includes any gain or loss on the sale of investments.

Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

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

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer Equipment	33% Straight Line
Leasehold Property Improvements	20% Straight Line

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

Footsteps Children's Services Ltd
Notes to the Accounts

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Income and endowments from:			
Donations and legacies	2,309	-	2,309
Charitable activities	325,975	33,500	359,475
Investments	56	-	56
Total	<u>328,340</u>	<u>33,500</u>	<u>361,840</u>
Expenditure on:			
Raising funds	38	-	38
Charitable activities	181,522	37,608	219,130
Other	128,951	5,910	134,861
Total	<u>310,511</u>	<u>43,518</u>	<u>354,029</u>
Net income	<u>17,829</u>	<u>(10,018)</u>	<u>7,811</u>
Transfers between funds	1,507	(1,507)	-
Net income before other gains/(losses)	<u>19,336</u>	<u>(11,525)</u>	<u>7,811</u>
Other gains and losses:			
Net movement in funds	<u>19,336</u>	<u>(11,525)</u>	<u>7,811</u>
Reconciliation of funds:			
Total funds brought forward	82,110	11,525	93,635
Total funds carried forward	<u>101,446</u>	<u>-</u>	<u>101,446</u>

4 Income from donations and legacies

	Unrestricted £	Total 2022 £	Total 2021 £
Fundraising	687	687	2,309
	<u>687</u>	<u>687</u>	<u>2,309</u>

5 Income from charitable activities

	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Grants and Contracts	354,313	26,000	380,313	359,475
	<u>354,313</u>	<u>26,000</u>	<u>380,313</u>	<u>359,475</u>

Footsteps Children's Services Ltd
Notes to the Accounts

6 Income from Investments

	Unrestricted	Total 2022	Total 2021
	£	£	£
Bank interest	11	11	56
	<u>11</u>	<u>11</u>	<u>56</u>

7 Expenditure on raising funds

	Unrestricted	Total 2022	Total 2021
	£	£	£
<i>Fundraising trading costs</i>			
	162	162	38
	<u>162</u>	<u>162</u>	<u>38</u>

8 Expenditure on charitable activities

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
<i>Expenditure on charitable activities</i>				
Grants and Contracts	211,349	8,287	219,636	194,636
Children's Resources	14,731	28	14,759	24,494
<i>Governance costs</i>				
	<u>226,080</u>	<u>8,315</u>	<u>234,395</u>	<u>219,130</u>

9 Other expenditure

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Other interest payable	669	-	669	62
Employee costs	76,336	-	76,336	68,883
Motor and travel costs	1,166	-	1,166	1,249
Premises costs	21,736	7,524	29,260	36,767
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	1,016	-	1,016	640
General administrative costs	17,045	71	17,116	14,439
Legal and professional costs	11,851	-	11,851	12,821
	<u>129,819</u>	<u>7,595</u>	<u>137,414</u>	<u>134,861</u>

Footsteps Children's Services Ltd
Notes to the Accounts

10 Net income before transfers

	2022	2021
This is stated after charging:	£	£
Depreciation of owned fixed assets	1,016	640
Independent Examiner's fee	1,500	1,500

11 Staff costs

	2022	2021
Salaries and wages	58,059	67,483
Social security costs	12,506	-
Pension costs	3,062	-
	<u>73,627</u>	<u>67,483</u>

No employee received emoluments in excess of £60,000.

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

	2022	2021
	Number	Number
Charitable Activities	24	22
	<u>24</u>	<u>22</u>

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund

12 Tangible fixed assets

	Computer Equipment	Leasehold Property Improvements	Total
	£	£	£
Cost or revaluation			
At 1 September 2021	2,304	-	2,304
Additions	1,054	-	1,054
At 31 August 2022	<u>3,358</u>	<u>-</u>	<u>3,358</u>
Depreciation and impairment			
At 1 September 2021	640	-	640
Depreciation charge for the year	1,016	-	1,016
At 31 August 2022	<u>1,656</u>	<u>-</u>	<u>1,656</u>
Net book values			
At 31 August 2022	<u>1,702</u>	<u>-</u>	<u>1,702</u>
At 31 August 2021	<u>1,664</u>	<u>-</u>	<u>1,664</u>

Footsteps Children's Services Ltd
Notes to the Accounts

13 Debtors

	2022	2021
	£	£
Trade debtors	2,076	6,571
Other debtors	-	9,464
Prepayments and accrued income	-	6,727
	<u>2,076</u>	<u>22,762</u>

14 Creditors:

amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	6,000	6,000
Trade creditors	157	2,874
Other taxes and social security	1,278	-
Accruals	1,644	2,655
Deferred Income	47,631	53,503
	<u>56,710</u>	<u>65,032</u>

The business interruption loan commenced 23 July 2020, there were no repayments or interest for 12 months then six years to pay back with no early payment charge

15 Deferred Income

Movement of the deferred income shown in Creditors: amounts falling due within one year

	2022	2021
	£	£
At 1 September	53,503	39,649
Released in current year	(53,503)	(39,649)
Deferred in current year	47,630	53,503
At 31 August	<u>47,630</u>	<u>53,503</u>

16 Creditors:

amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	17,500	23,500
	<u>17,500</u>	<u>23,500</u>
Liabilities repayable in more than five years after the balance sheet date		
Amount repayable by instalments	17,500	23,500
	<u>17,500</u>	<u>23,500</u>

The business interruption loan commenced 23 July 2020, there were no repayments or interest for 12 months then six years to pay back with no early payment charge

17 Movement in funds

	At 1 September 2021	Incoming resources (including other gains/losses) £	Resources expended £	At 31 August 2022 £
Restricted funds:				
Restricted income funds:				
Reece Group	-	10,000	(6,487)	3,513
St James's Place Charitable	-	2,500	(2,055)	445
Joicey Trust	-	3,500	(3,500)	-
LGA Foundation	-	10,000	(3,868)	6,132
<i>Total</i>	<u>-</u>	<u>26,000</u>	<u>(15,910)</u>	<u>10,090</u>
Unrestricted funds:				
General funds	101,446	355,011	(356,061)	100,396
Total funds	<u>101,446</u>	<u>381,011</u>	<u>(371,971)</u>	<u>110,486</u>

Purposes and restrictions in relation to the funds:

Restricted funds:

Reece Group	Providing 1:1 support for children with additional needs and resources for the sensory room.
St James's Place Charitable	Providing 1:1 support for children with additional needs
Joicey Trust	Providing a contribution towards core costs
LGA Foundation	Providing a contribution towards core costs

18 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	1,702	1,702
Net current assets	126,284	126,284
Creditors due in more than one year and provisions	(17,500)	(17,500)
	<u>110,486</u>	<u>110,486</u>

Footsteps Children's Services Ltd
Notes to the Accounts

19 Reconciliation of net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash and cash equivalents	165,552	15,366	180,918
	<u>165,552</u>	<u>15,366</u>	<u>180,918</u>
Bank loans	(29,500)	6,000	(23,500)
	<u>(29,500)</u>	<u>6,000</u>	<u>(23,500)</u>
Net debt	<u>136,052</u>	<u>21,366</u>	<u>157,418</u>

20 Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2022 Land and buildings £	2022 Other £	2021 Land and buildings £	2021 Other £
Operating leases with expiry date:				

Pension commitments

	2022 £	2021 £
The pension cost charge to the company amounted to:	<u>3,062</u>	<u>-</u>

21 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Footsteps Children's Services Ltd
Detailed Statement of Financial Activities
for the year ended 31 August 2022

	Unrestrict ed funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:				
Donations and legacies				
Fundraising	687	-	687	2,309
	<u>687</u>	<u>-</u>	<u>687</u>	<u>2,309</u>
Charitable activities				
Grants and Contracts	354,313	26,000	380,313	359,475
	<u>354,313</u>	<u>26,000</u>	<u>380,313</u>	<u>359,475</u>
Investments				
Bank interest	11	-	11	56
	<u>11</u>	<u>-</u>	<u>11</u>	<u>56</u>
Total income and endowments	355,011	26,000	381,011	361,840
Expenditure on:				
Costs of other trading activities				
	162	-	162	38
	<u>162</u>	<u>-</u>	<u>162</u>	<u>38</u>
Total of expenditure on raising funds	162	-	162	38
Charitable activities				
Grants and Contracts	211,349	8,287	219,636	194,636
Children's Resources	14,731	28	14,759	24,494
	<u>226,080</u>	<u>8,315</u>	<u>234,395</u>	<u>219,130</u>
Total of expenditure on charitable activities	226,080	8,315	234,395	219,130
Other expenditure				
Other Interest payable	669	-	669	62
	<u>669</u>	<u>-</u>	<u>669</u>	<u>62</u>
Employee costs				
Salaries/wages	58,059	-	58,059	67,483
Employer's NIC	12,506	-	12,506	-
Pension costs	3,062	-	3,062	-
Staff recruitment	18	-	18	-
Staff training	2,276	-	2,276	1,400
Staff welfare	415	-	415	-
	<u>76,336</u>	<u>-</u>	<u>76,336</u>	<u>68,883</u>
Motor and travel costs				
Travel and subsistence	1,166	-	1,166	1,249
	<u>1,166</u>	<u>-</u>	<u>1,166</u>	<u>1,249</u>
Premises costs				
Rent	13,123	3,500	16,623	24,661

Footsteps Children's Services Ltd
Detailed Statement of Financial Activities

Rates	394	-	394	101
Light, heat and power	3,496	-	3,496	3,490
Premises cleaning	2,092	-	2,092	2,412
Premises repairs and maintenance	2,631	4,024	6,655	6,103
	<u>21,736</u>	<u>7,524</u>	<u>29,260</u>	<u>36,767</u>
General administrative costs, including depreciation and amortisation				
Depreciation of Computer Equipment	1,016	-	1,016	640
Depreciation of Leasehold Property Improvements	-	-	-	-
Bad debts	1,152	-	1,152	68
Bank charges	148	-	148	67
Equipment expensed	27	71	98	712
General insurances	2,901	-	2,901	2,730
Software, IT support and related costs	4,665	-	4,665	4,277
Stationery and printing	4,221	-	4,221	3,301
Sundry expenses	589	-	589	1,020
Telephone, fax and broadband	3,342	-	3,342	2,264
	<u>18,061</u>	<u>71</u>	<u>18,132</u>	<u>15,079</u>
Legal and professional costs				
Audit/Independent examination fees	1,500	-	1,500	1,500
Accountancy and bookkeeping	2,381	-	2,381	2,561
Consultancy fees	6,534	-	6,534	6,871
Other legal and professional costs	1,436	-	1,436	1,889
	<u>11,851</u>	<u>-</u>	<u>11,851</u>	<u>12,821</u>
Total of expenditure of other costs	<u>129,819</u>	<u>7,595</u>	<u>137,414</u>	<u>134,861</u>
Total expenditure	<u>356,061</u>	<u>15,910</u>	<u>371,971</u>	<u>354,029</u>
Net gains on investments	-	-	-	-
Net Income	<u>(1,050)</u>	<u>10,090</u>	<u>9,040</u>	<u>7,811</u>
Net income before other gains/(losses)	<u>(1,050)</u>	<u>10,090</u>	<u>9,040</u>	<u>7,811</u>
Other Gains	-	-	-	-
Net movement in funds	<u>(1,050)</u>	<u>10,090</u>	<u>9,040</u>	<u>7,811</u>
Reconciliation of funds:				
Total funds brought forward	101,446	-	101,446	93,635
Total funds carried forward	<u>100,396</u>	<u>10,090</u>	<u>110,486</u>	<u>101,446</u>

FOOTSTEPS CHILDREN'S SERVICES LTD

England & Wales - Charity number 1146996

Accounts



Footsteps Children's Services Ltd

Charity No. 1146996

Company No. 06866200

Trustees' Report and Unaudited Accounts

31 August 2021

Footsteps Children's Services Ltd
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The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 August 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 06866200

Charity No. 1146996

Registered Office

Suite 14
John Buddle Work Village
Buddle Road
Newcastle
NE4 8AW

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law. The following Directors and Trustees served during the year:

L. Brady
K. Chipperfield (Resigned 3 September 2020)
A.J. Johnson
P. Lofthouse
E. Lowther

Accountants

Accounting for Good CIC
10a Front Street
Winlaton
Blaydon on Tyne
Tyne and Wear
NE21 6DD

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

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

L. Brady
Trustee
07 April 2022

A handwritten signature in blue ink that reads "L. Brady".

Trustees Report 2020-2021

The trustees are pleased to present their annual Trustees report together with financial statements of the charity for the year ended 31 August 2021 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

The objectives of Footsteps Children's Services Ltd are 'to act as a resource for children and young people up to the age of 11 living in the north east of England by providing advice and assistance and organising programmes of physical, educational and other activities'.

The Charity is established to act as a resource for children up to the age of 11 years in the North East of England by providing educational facilities.

The Charity does this by providing:

- full and part-time day care places,
- mobile crèche facilities to support the work of voluntary and community groups,
- crèche facilities to support the delivery of adult and family learning,
- supply staff to Sure Start Children's Centres, nurseries and other early years settings,
- out of school and 'wrap-around' provision,
- holiday club provision
- advice and support to vulnerable families, including access to a food and clothing bank, and referral to specialist support services
- support to children with additional needs and disabilities

The purpose of the Charity is also to further benefit the residents of Newcastle and the neighbourhood without distinction of sex, sexual orientation, race or of political, religious or other options by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for residents.

Achievements and performance

As with many charities and services we would describe this past year as challenging, we have worked through the Covid 19 global pandemic that has affected our service delivery and income streams. We have been able to carry forward some funding from last financial year that wasn't used due to short term closures, and reduced numbers in attendance due to self-isolation or closure of sites owing to positive cases, however the knock on effect to

that is that there was then a delay in how and what we could apply for this financial year. Below is an overview of service delivery from all of sites

Footsteps Nunsmoor continues to deliver playgroup services, children access playgroup either through morning or afternoon sessions.

This year has seen a significant increase in children who have SEND. We have continued to deliver 1-1 support and focused development sessions to children who require extra support to access their Early Years Entitlement, Funding from Reece Group and St James Foundation has enabled this 1-1 work, and has also been used to purchase resources to support children's learning and play experiences.

We have also received funding from the Newcastle Access Fund to deliver music and movement sessions supporting children with SEND to enjoy these sessions alongside their peers

Footsteps Dolphin Street following the most recent Ofsted inspection in April 2019 where this setting was graded Outstanding in all areas we have continued to offer a variety of services to local families we also provide emergency care packages that include food, nappies and clothing. Numbers of children accessing services continues to rise.

We have continued to secure funding that we use to provide services to children who require support to access all that nursery life has to offer. This normally takes the format of 3 one hour sessions per week where up to four children within the hour will receive 1-1 support for approximately 15 minutes each. Activities offered in these sessions are specific to the needs of the child, some of which have been identified by our staff team, but we also follow the plans put in place by speech and language therapists and SEN teachers. this funding also supported our food bank and helped to purchase new learning resources for the children.

All of our settings continue to provide support to children with complex needs. These range from children who are looked after, children subject to child protection plans or Early Help Plans, children with disabilities and children with complex health needs. All of these children received appropriate support with some families successfully coming off plan and some children with additional needs making significant progress.

Early Years Pupil Premium has been used to purchase resources that support children's learning based upon their interests and areas of development.

Footsteps Mobile Crèche

Our mobile crèche service has been hardest hit by the Global Pandemic, most of our crèche provision is used to support training, and there has simply not been any face to face training taking place, most training course have moved to online learning we do not anticipate that there will be a huge demand for this service in the future as we believe that the way in which services have been delivered and the amount that organisations have needed to invest in technology in order to survive will impact the delivery of face to face learning in

the future. We have retained a contract to deliver crèche provision for George St Social, this is a service that provides addiction recovery support and therefore their services have returned to face to face and we continue to provide crèche for these sessions.

Footsteps Westgate

This service provides crèche to children whose parents are accessing adult learning opportunities at Westgate Community College, because of the restrictions on Adult Learning throughout lockdowns and regional restrictions we have seen a reduction in service delivery for this, we have experienced closure through lockdown and have been offering a scaled back service outside of lockdown periods allowing students to meet with lecturers for tutorials, as learning has remained online. Due to the nature of learning being ESOL and the difficulties that have been encountered trying to deliver English conversation classes online, we do anticipate that sessions will return more to normal in time, obviously pending any future lockdowns.

A large proportion of parents are attending English speaking classes and therefore most of the children have English as an additional language. In offering this service at Westgate it allows parents to access education and in turn may provide more job opportunities in the future. This can have long lasting and wide impact on the family unit as a whole, and also can act as a motivator for future generations. So whilst it can be viewed that we offer a childcare service, we feel without the childcare element parents simply would not be able to progress their education, employment and some degree their lives in the same way if we did not provide the childcare. We are very proud of all that has been achieved at Westgate.

Footsteps Ponteland

We launched our After School Club at Ponteland Community Primary School in Sept 2020 following a relocation from Darras Hall Primary School. We initially transported children from Darras Hall Primary School but unfortunately due to phased end times to help with social distancing measures within schools it was simply not viable to collect children at multiple sites, roadworks in the local area also did not help this situation and in November 2020 we ceased collections from Darras Hall Primary. From January 2021 until April 2021 schools were closed during lockdown, however we continued to deliver afterschool care for key workers from Ponteland Community Primary School and from April have offered after school care for all children.

Footsteps Howdon

Footsteps Howdon was due to be Launched in April 2020 but due to lockdown this was delayed to Sept 2020, this site operates within Howdon Hub and offers playgroup to local families. We opened our doors in September and within weeks' regional restrictions were in place, meaning that whilst we could remain open as a service provider, the community centre itself was closed to the general public and therefore there was no passing trade and the surrounding areas were also incredibly quiet due to restrictions in place, we moved from regional restrictions to tier 3 and then to a national lockdown in January with schools etc. being closed until April 2021. We continued to offer services to a small number of children between Jan and April as the directive from government was that early years should remain

open to all, from April 2021 we have continued to deliver this service and have seen a small uptake in occupancy.

Funding Received

Reece Group

We have received £10,000 in funding from Reece Group in 19/20 with £5000 allocated to 20/21 due to closures and reduced occupancy due to lockdown and isolation periods. This funding supports children who attend our Newcastle Sites, it allows us to offer increased SEND support using the format of 1-1 sessions, Small groups of focused development sessions, and allowing children to attend extra sessions to support their learning. This funding also allows us to purchase resources to support these sessions and helps to fund our food bank and emergency care supplies.

St James Place

We received £2500 from St James Place in 19/20 which we were permitted to allocate to 20/21 due to lockdown closures and reduced occupancy. This funding supports children with SEND in the same way the Reece funding does, but it is a different group of children.

Joicey Trust

We received £3000 from Joicey Trust that was allocated to 20/21 this was in support of our core costs

North of Tyne Combined Authority Covid 19 VCSE Resilience Fund

We have received £19k through this grant, broken down as follows:

£16k to support with staff retention, this funding needed to be drawn down by 31st March 2021 and was used to protect salaries of those where income generation does not cover current salary costs. An example of this would be our contract at Westgate where the contract has been suspended but it is anticipated that it will return, therefore jobs are viable in the long term, but for the short term it was not generating the income required to meet our contractual obligations to staff.

This funding was also used to provide a contribution to head office salary costs whilst occupancy levels are lower than expected and early years funding is reduced.

£3k was awarded to support consultancy and business resilience. This has been allocated as follows:

Finance: £1358.40 split between xero training and software purchase

Marketing: £1135.90 split between professional photography for publicity materials, and social media content creation.

Governance: £507.50 Review of governing documents

BIPC 'City Life Expert Support' Grant

This grant has a value of £2000 under state aid, which we receive in terms of 8 hours of expert support from Kate Duffy of RHWE. We had the opportunity to tap in to a number of different skill sets within RHWE but it was identified that our most pressing need is financial

and therefore we are receiving support from Kate Duffy in reviewing our funding plan, and supporting to develop potential new streams of income diversification.

Global Make Some Noise – Emergency Fund

We secured £29,000 from Global Make Some Noise Emergency Fund, this grant was to support local people following Covid 19 related lockdown.

The children we supported with this grant include those who would be considered vulnerable and living in high areas of deprivation. A large proportion of children in our care have Special Educational Needs and Disabilities, or one or more barrier to learning potentially awaiting diagnosis. We have provided 72 hours of focused development sessions supporting those children with barriers to their learning to connect with learning again during lockdown. We have provided 1-1 Sessions for three children totally 212.5 hours of support. We have delivered 'at home' learning and activity packs to 80 families on three separate occasions, each time with different activities this totalled the provision of 240 packs. We have delivered 80 Wellbeing packages to families, including the details of where to get additional support. 62 people have benefitted from our food bank and Emergency Care Packs. We have also launched a Toy Library.

This funding was a huge boost to our organisation at a very challenging time, at a time when we were concerned not only about the physical wellbeing of the families in our care, but also the need to retain critical roles within our organisation when occupancy levels were uncertain. This funding has not only provided us with the possibility to secure three senior roles, held by very knowledgeable and experienced staff to deliver frontline work ensuring that our services could be delivered to vulnerable children and families that have been disproportionately affected by National Lockdown, but has also allowed us to expand the services we deliver to better meet the needs of our service users at the current time.

Training and Development

We have created a SEND Training programme that practitioners can access online, this was a three-part bite size training, the main improvements we have seen since this training was released, is an increase in understanding of "Backwards Chaining" this has been evident in how the children are able to engage in activities such as group time and snack. We have embedded staff understanding of schemas and this has also been evident in planning and the progress children have made towards their learning goals.

We seek to provide further training in Child Development in the coming twelve months, to include the recent EYFS reforms.

Public benefit statement

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's objectives and planning its future activities. This annual report will aim to demonstrate the link between our charitable activity and how this benefits our service users.

Financial review

Footsteps Children's Services Ltd is funded by grant income from Newcastle City Council, parent fees, agency nursery fees and crèche fees. The total income for the period was £361217. This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice.

The Statement of Financial Activities for the period shows a surplus across all funds of £7811. The Balance Sheet at 31 August 2021 shows total funds carried forward of £101446 of which there are £nil restricted funds.

We claimed a Bounce Back Loan of £30,000 we have begun to repay this on a monthly basis.

Reserves policy

Footsteps Children's Services Ltd has maintained a small level of free reserves over the years currently £101446 to meet the working capital requirements of the charity in the event of a significant drop in funding. It has established a policy whereby the unrestricted funds held by the charity should be between 3 and 6 months of annual expenditure. At 31 August 2021 free reserves represent 4 months of running costs which the trustees believe to be prudent in light of challenges faced in securing funding.

Governance

As detailed above we received funding from the Port of Tyne VCSE Covid Resilience Fund to be used for consultancy costs, this was used to review our current governing documents and make some minor amends, these amends have been submitted to the Charities Commission for approval and will be confirmed pending this outcome in due course.

Risk Management

The Board of Trustees understands the importance of assessing major risks that the Charity could face. Appropriate systems, controls and procedures have been established to reduce our exposure, and manage, monitor and mitigate risk and uncertainty.

An annual review of the major risks faced by the Charity is undertaken and the Trustees are satisfied that our procedures are in line with our risk management process.

Risk management is considered at regular Trustee meetings and sub groups where any changes or new risks identified are considered and responded to.

Currently the greatest risk the charity faces is the increase in minimum wage and the lack of increase in early years funding, there is simply not enough government funding attached to the Early Years Entitlement offered to parents to cover actual costs of care, this is a sector wide problem and not exclusive to our charity. There is also a current recruitment crisis within the sector, this is partly to do with very experienced workers and leaders within the sector simply feeling disillusioned by the governments approach to Early Years and how we were treated during the pandemic that they have simply walked away from the sector, it is also exceptionally difficult to recruit new workers to the sector as there is insufficient funding to offer them an appropriate wage for the level of responsibility they have in caring

for children, they can get a far less responsible job for greater financial reward. This is sector wide and not specific to our charity, and until the government recognise that they are not investing enough money in to Early Years this will continue to be a problem.

Finance

Our current income streams are as follows:

Early Years Offer 2, 3 and 4-year-old offer Newcastle, Northumberland, and North Tyneside Councils. This is our main source of income and in 20/21 accounted for 54% of our income, the funding is allocated per child and we only receive the funding if the child is in attendance. The funding is paid by an initial % payment at the start of each term followed by a balancing payment on submission of headcount data to the local authority. We receive a projected budget set by the local authority based upon the previous year's payments, with amends being made on balancing payments to reflect actual numbers of children in attendance.

Inclusion Funding

As a high proportion of the children in our care present with SEND then we also receive inclusion funding, this funding is for individual children and can only be used for their education and welfare. We do not anticipate inclusion funding in itself to drop this year, but obviously we only receive it for the children we have in attendance that qualify for the funding. If our numbers are lower than usual, then it is inevitable that some of the families that choose not to attend may also be the recipient of inclusion funding, and therefore even if there are no "cuts" locally to this funding, our income may still drop due to attendance levels. We may need to secure additional funding through grants and trusts to support our service delivery.

Deprivation Funding

This funding is allocated to providers who work with families in high areas of deprivation, the purpose of this is in recognition that families living in high areas of disadvantage may require additional support to other families to help narrow the gap between the most disadvantaged and other members of the community.

This funding needs to be used on enrichment activities for children, in the past it has been used to develop outdoor spaces as lots of children living in the inner city do not have safe outdoor play spaces. We have used funding to backfill staff to support families, and have bought in extra activities such as music and arts specialists.

This funding is based upon the data collected from headcount from the previous year and equates to 9% of total funding awarded for eligible children each term. The annual deprivation supplement will be varied; we are notified of our supplement at the end of March annually.

Whilst this funding should be secure for this financial year, it may not be guaranteed in the future, we need to ensure are not relying on this funding to deliver our services, it would be advantageous to attempt to secure core costs from grants and funds at around £10000 per annum to cover the income usually generated by this fund

Parents Fees

This is the income generated by parents paying for our services, as we mainly cater for families living in high areas of deprivation then this income is now mainly generated from our after school provision in Ponteland.

Contracts

Early Years

We currently hold contracts with Newcastle City Council, North Tyneside Council, Northumberland Council for the delivery of Early Years Education 2, 3 and 4-year-old offer.

It is not anticipated that there will be any reductions in funding for Early Years as affordable and accessible childcare is crucial in rebuilding the economy.

Westgate Crèche

We hold a contract with Newcastle City Council Children, Education and Skills Directorate for the delivery of Crèche Provision at Westgate College, this has a contract value of £40k per annum, however gets topped up by other funding and usually generates between £40-£45k per annum.

During lockdown we were unable to deliver this contract due to the closure of the site and no adult learning taking place, we were able to claim from the Job Retention Scheme to support salary costs during lockdown, however there is a shortfall between the salary costs and the actual costs of delivering the service that we include within the hourly rate charged in the contract. It was initially thought that we would see a loss for this service between April and July 2020, however we have since been offered supplier relief from the local authority and they have paid us the difference between the JRS and the rate they would have paid.

This contract is one we would consider most at risk; following lockdown we have returned to a reduced ad-hoc type of crèche service at Westgate due to the current restrictions around adult learning, this involves us providing a limited service to allow learners to access tutorials. If we were to face another winter lockdown in 2021 then this service would not be deliverable.

Mobile Crèche

Our mobile crèche service is offered using a booking systems with associated terms and conditions.

Most of our mobile crèche supports Family Learning, ESOL and Self-Employment/ Entrepreneur based courses. Due to the current situation there has been no bookings for this service as face to face courses are either being deferred or delivered online.

Our mobile crèche business on average generates a gross profit of approx. £2k per annum, and provides work for 6 workers on an as and when required basis.

We do not anticipate an extensive return to crèche bookings for the foreseeable future.

Summary

At Footsteps we have always been able to pride ourselves in being the very best at what we do, we offer child centred care, working through complex caseloads with passion and drive. Over time we have seen growth not just in the number of sites that we have but also in the number of children attending and an increase in the level of need these children present with.

We understand that Covid has taken a lot out of people from a mental health perspective, multiple lockdowns, isolation, closures and lack of contact with those we love the most over that period of time has taken its toll, and only now are we perhaps seeing the outworking of that, I understand that things have been very difficult we do need to work on how we move forwards from this situation.

The next twelve months for our organisation is going to be a period of restoration.

For restoration to happen you have to first acknowledge where you are starting from, if you don't know where you are then you can't see that you have grown or be able to take full appreciation of what has been restored. We are seeing increasing levels of need, and it is taking so much more out of us to deliver our services to a high standard, combine with that the issues facing the sector in terms of recruitment and funding it is understandable that we are all finding it tough but we are 100% committed to carve a new path for us. In recent years we have invested a lot of time in securing funding to allow us to continue, but in doing so there is the constant challenge of meeting the grant conditions, which nearly always involve the words innovation and growth.

Our organisation needs to change our focus this year from innovation and growth to quality and standards. We will be investing time in our people, supporting our managers in the embedding and delivery of the EYFS reforms, we will be returning to in person support visits to settings these visits will operate on a little and often approach. We will be attending sites and talking with our teams to gauge their wellbeing and training needs, outside of the day to day input received by their managers.

The CEO will be restricting the work she is involved in outside of the internal workings of the organisation, the focus of her external collaborations will be Poverty Relief, SEND and

Vulnerable Families. The CEO will concentrate on funding applications that centre around core costs.

It could be viewed that looking inwards might be an easier option than growth, but to actually stop and take stock and acknowledge that work needs to be done to restore our foundations is brave and bold. There is a lot of work ahead to get over the impact of the past year and it may not be easy but a smooth sea never made a skilled sailor, we have survived many storms over the years and we are confident that with the backing of our exceptional teams we can ride this one out too.

Goals for the year ahead would be to see an increase in diverse active Board Members, we would also seek to improve the marketing and publicity within our organisation.

We are keen to develop our excellent SEND work we currently deliver and would seek funding to maintain the lead role that provides advice and support to managers and training to teams across the organisation to develop this work further. We would seek funding to have a designated worker to offer family support.

We will continue to work with Peninsula, our Human Resources and Health and Safety consultants to ensure we meet all of our legal and moral obligations for everyone we employ.

The plans we have for the future to secure, develop and review our services will be done to ensure sustainability of the organisation and we will share updates on the progress of these plans on a regular basis through existing staff meeting structures.

We seek to continue to meet our initial aims and objectives whilst being responsive to the need around us, and flexible in our approach to meet the needs of service users within our financial capacity.

Independent Examiner's Report to the trustees of Footsteps Children's Services Ltd

I report to the charity trustees on my examination of the accounts of Footsteps Children's Services Ltd for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

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 accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the accounts 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 your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

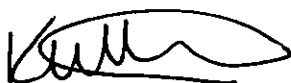
Independent examiner's statement

As 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 FFA FTA.

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

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements under 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
- the accounts have not been prepared in accordance with the Charities SORP (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 accounts to be reached.



Kay Wightman
FFA FTA
Accounting for Good CIC
10a Front Street
Winlaton
Blaydon on Tyne
Tyne and Wear
NE21 6DD
07 April 2022

Footsteps Children's Services Ltd
Statement of Financial Activities
for the year ended 31 August 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
	Notes				
Income and endowments from:					
Donations and legacies	4	2,309	-	2,309	731
Charitable activities	5	325,975	33,500	359,475	390,389
Investments	7	56	-	56	97
Total		328,340	33,500	361,840	391,217
Expenditure on:					
Raising funds	8	38	-	38	260
Charitable activities	9	181,522	37,608	219,130	228,462
Other	10	128,951	5,910	134,861	122,777
Total		310,511	43,518	354,029	351,499
Net gains on investments		-	-	-	-
Net income	11	17,829	(10,018)	7,811	39,718
Transfers between funds		1,507	(1,507)	-	-
Net income before other gains/(losses)		19,336	(11,525)	7,811	39,718
Other gains and losses					
Net movement in funds		19,336	(11,525)	7,811	39,718
Reconciliation of funds:					
Total funds brought forward		82,110	11,525	93,635	53,917
Total funds carried forward		101,446	-	101,446	93,635

Footsteps Children's Services Ltd
Summary Income and Expenditure Account
for the year ended 31 August 2021

	2021	2020
	£	£
Income	361,784	391,120
Interest and investment income	56	97
Gross income for the year	<u>361,840</u>	<u>391,217</u>
Expenditure	353,327	351,499
Interest payable	62	-
Depreciation and charges for impairment of fixed assets	640	-
Total expenditure for the year	<u>354,029</u>	<u>351,499</u>
Net income before tax for the year	7,811	39,718
Net income for the year	<u>7,811</u>	<u>39,718</u>

Footsteps Children's Services Ltd**Balance Sheet**

at 31 August 2021

Company No. 06866200	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	13	1,664	-
		<u>1,664</u>	<u>-</u>
Current assets			
Debtors	14	22,762	5,234
Cash at bank and in hand		165,552	162,182
		<u>188,314</u>	<u>167,416</u>
Creditors: Amount falling due within one year	15	(65,032)	(43,781)
Net current assets		<u>123,282</u>	<u>123,635</u>
Total assets less current liabilities		124,946	123,635
Creditors: Amounts falling due after more than one year	16	(23,500)	(30,000)
Net assets excluding pension asset or liability		<u>101,446</u>	<u>93,635</u>
Total net assets		<u>101,446</u>	<u>93,635</u>
The funds of the charity			
Restricted funds	17		
Restricted income funds		-	11,525
		<u>-</u>	<u>11,525</u>
Unrestricted funds	17		
General funds		101,446	82,110
		<u>101,446</u>	<u>82,110</u>
Reserves	17		
Total funds		<u>101,446</u>	<u>93,635</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 August 2021 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

Approved by the board on 07 April 2022

And signed on its behalf by:

L. Brady

Trustee

07 April 2022



1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of Income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

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

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer Equipment	33% Straight Line
Leasehold Property Improvements	20% Straight Line

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period. Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred. All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases. Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs. Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Notes to the Accounts

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Income and endowments from:			
Donations and legacies	731	-	731
Charitable activities	373,732	16,657	390,389
Investments	97	-	97
Total	374,560	16,657	391,217
Expenditure on:			
Raising funds	260	-	260
Charitable activities	342,504	8,735	351,239
Total	342,764	8,735	351,499
Net income	31,796	7,922	39,718
Net income before other gains/(losses)	31,796	7,922	39,718
Other gains and losses:			
Net movement in funds	31,796	7,922	39,718
Reconciliation of funds:			
Total funds brought forward	50,314	3,603	53,917
Total funds carried forward	82,110	11,525	93,635

Notes to the Accounts

4 Income from donations and legacies

	Unrestricted	Total	Total
		2021	2020
	£	£	£
Fundraising	2,309	2,309	731
	<u>2,309</u>	<u>2,309</u>	<u>731</u>

5 Income from charitable activities

	Unrestricted	Restricted	Total	Total
			2021	2020
	£	£	£	£
Grants and Contracts	325,975	33,500	359,475	390,389
	<u>325,975</u>	<u>33,500</u>	<u>359,475</u>	<u>390,389</u>

6 Charitable Activities Breakdown

Income from grants & contracts				
Newcastle City Council - Inclusion	10,108	-	10,108	15,635
Newcastle City Council - Early Years	188,244	-	188,244	184,647
Newcastle City Council - Deprivation	11,919	-	11,919	13,230
Newcastle City Council - Pupil Premium	4,291	-	4,291	-
Newcastle City Council - Free School Meals	2,970	-	2,970	-
Northumberland County - Early Years	(5,235)	-	(5,235)	17,079
North Tyneside - Early Years	9,715	-	9,715	-
Business Support (Covid 19)	16,624	-	16,624	15,100
HMRC Job Retention Scheme	49,406	-	49,406	27,867
Prudhoe Street Mission	-	4,500	4,500	-
Street Games	135	-	135	1,157
Creche Contract	14,648	-	14,648	29,733
Make Some Noise	-	29,000	29,000	-
Income from Charges				
Parent Fees	20,215	-	20,215	44,605
Other Income	2,935	-	2,935	3,925
	<u>325,975</u>	<u>33,500</u>	<u>359,475</u>	<u>390,389</u>

7 Income from investments

	Unrestricted	Total	Total
		2021	2020
	£	£	£
Bank interest	56	56	97
	<u>56</u>	<u>56</u>	<u>97</u>

8 Expenditure on raising funds

	Unrestricted	Total	Total
		2021	2020
	£	£	£
<i>Fundraising trading costs</i>			
	38	38	260
	<u>38</u>	<u>38</u>	<u>260</u>

9 Expenditure on charitable activities

	Unrestricted	Restricted	Total	Total
			2021	2020
	£	£	£	£
<i>Expenditure on charitable activities</i>				
Wages & Salaries	168,231	26,405	194,636	216,652
Children's Resources	13,291	11,203	24,494	11,738
<i>Governance costs</i>				
Independent Examiners Fees	-	-	-	72
	<u>181,522</u>	<u>37,608</u>	<u>219,130</u>	<u>228,462</u>

10 Other expenditure

	Unrestricted	Restricted	Total	Total
			2021	2020
	£	£	£	£
Other interest payable	62	-	62	-
Employee costs	66,353	2,530	68,883	67,929
Motor and travel costs	1,249	-	1,249	-
Premises costs	33,860	2,907	36,767	25,530
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	640	-	640	-
General administrative costs	13,966	473	14,439	22,145
Legal and professional costs	12,821	-	12,821	7,173
	<u>128,951</u>	<u>5,910</u>	<u>134,861</u>	<u>122,777</u>

11 Net income before transfers

	2021	2020
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	640	-
Independent Examiner's fee	1,500	1,836
Other fees paid to the auditor or independent examiner	2,561	2,738

Notes to the Accounts

12 Staff costs

Salaries and wages	67,483	67,929
	<u>67,483</u>	<u>67,929</u>

No employee received emoluments in excess of £60,000.

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

	2021	2020
	Number	Number
Charitable Activities	22	18
	<u>22</u>	<u>18</u>

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund

13 Tangible fixed assets

	Computer Equipment	Leasehold Property Improvements	Total
	£	£	£
Cost or revaluation			
Additions	2,304	-	2,304
At 31 August 2021	<u>2,304</u>	<u>-</u>	<u>2,304</u>
Depreciation and impairment			
Depreciation charge for the year	640	-	640
At 31 August 2021	<u>640</u>	<u>-</u>	<u>640</u>
Net book values			
At 31 August 2021	<u>1,664</u>	<u>-</u>	<u>1,664</u>

14 Debtors

	2021	2020
	£	£
Trade debtors	6,571	2,282
Other debtors	9,464	2,952
Prepayments and accrued income	6,727	-
	<u>22,762</u>	<u>5,234</u>

Notes to the Accounts

15 Creditors:

amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	6,000	-
Trade creditors	2,874	2,023
Other creditors	-	273
Accruals and deferred income	56,158	41,485
	<u>65,032</u>	<u>43,781</u>

The business interruption loan commenced 23 July 2020, there were no repayments or interest for 12 months then six years to pay back with no early payment charge

The deferred income is advance payments from grants that relate to future periods

Movement of the deferred income	2021	2020
	£	£
At 1 September	39,649	43,446
Deferred	56,159	39,649
Released	(39,649)	(43,446)
At 31 August	<u>56,159</u>	<u>39,649</u>

16 Creditors:

amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	23,500	30,000
	<u>23,500</u>	<u>30,000</u>
Liabilities repayable in more than five years after the balance sheet date		
Amount repayable by instalments	23,500	30,000
	<u>23,500</u>	<u>30,000</u>

The business interruption loan commenced 23 July 2020, there were no repayments or interest for 12 months then six years to pay back with no early payment charge

The deferred income is advance payments from grants that relate to future periods

17 Movement in funds

	At 1 September 2020	Incoming resources (including other gains/losses) £	Resources expended £	Gross transfers £	At 31 August 2021 £
Restricted funds:					
Restricted income funds:					
Reece Group	5,815	-	(5,815)	-	-
Skipton Building Society	23	-	(23)	-	-
St James's Place Charitable	2,500	-	(2,500)	-	-
Newcastle Building Society	187	-	(187)	-	-
Joicey Trust	3,000	-	(3,000)	-	-
Make Some Noise	-	29,000	(27,493)	(1,507)	-
Prudhoe Street Mission	-	4,500	(4,500)	-	-
Total	11,525	33,500	(43,518)	(1,507)	-
Unrestricted funds:					
General funds	82,110	328,340	(310,511)	1,507	101,446
Revaluation Reserves:					
Total funds	93,635	361,840	(354,029)	-	101,446

Purposes and restrictions in relation to the funds:

Restricted funds:

Reece Group	Providing 1:1 support for children with additional needs and resources for the sensory room.
Skipton Building Society	To purchase of children's resources
St James's Place Charitable	Providing 1:1 support for children with additional needs
Newcastle Building Society	Providing 1:1 support for children with additional needs
Joicey Trust	Providing a contribution towards core costs
Make Some Noise	Providing a contribution towards core costs & assets
Prudhoe Street Mission	To purchase Children's resources

18 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	1,664	1,664
Net current assets	123,282	123,282
Creditors due in more than one year and provisions	(23,500)	(23,500)
	101,446	101,446

19 Reconciliation of net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash and cash equivalents	162,182	3,370	165,552
	<u>162,182</u>	<u>3,370</u>	<u>165,552</u>
Bank loans	(30,000)	500	(29,500)
	<u>(30,000)</u>	<u>500</u>	<u>(29,500)</u>
Net debt	<u>132,182</u>	<u>3,870</u>	<u>136,052</u>

20 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Footsteps Children's Services Ltd
Detailed Statement of Financial Activities
for the year ended 31 August 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:				
Donations and legacies				
Fundraising	2,309	-	2,309	731
	<u>2,309</u>	<u>-</u>	<u>2,309</u>	<u>731</u>
Charitable activities				
Grants and Contracts	325,975	33,500	359,475	390,389
	<u>325,975</u>	<u>33,500</u>	<u>359,475</u>	<u>390,389</u>
Investments				
Bank interest	56	-	56	97
	<u>56</u>	<u>-</u>	<u>56</u>	<u>97</u>
Total income and endowments	328,340	33,500	361,840	391,217
Expenditure on:				
Costs of other trading activities				
	38	-	38	260
	<u>38</u>	<u>-</u>	<u>38</u>	<u>260</u>
Total of expenditure on raising funds	38	-	38	260
Charitable activities				
Grants and Contracts	168,231	26,405	194,636	216,652
Children's Resources	13,291	11,203	24,494	11,738
	<u>181,522</u>	<u>37,608</u>	<u>219,130</u>	<u>228,390</u>
Governance costs				
Independent Examiners Fees	-	-	-	72
	<u>-</u>	<u>-</u>	<u>-</u>	<u>72</u>
Total of expenditure on charitable activities	181,522	37,608	219,130	228,462
Other expenditure				
Other interest payable	62	-	62	-
	<u>62</u>	<u>-</u>	<u>62</u>	<u>-</u>
Employee costs				
Salaries/wages	64,953	2,530	67,483	67,929
Staff training	1,400	-	1,400	-
	<u>66,353</u>	<u>2,530</u>	<u>68,883</u>	<u>67,929</u>
Motor and travel costs				
Travel and subsistence	1,249	-	1,249	-
	<u>1,249</u>	<u>-</u>	<u>1,249</u>	<u>-</u>
Premises costs				
Rent	21,887	2,774	24,661	20,035
Rates	101	-	101	-

Footsteps Children's Services Ltd
Detailed Statement of Financial Activities

Light, heat and power	3,490	-	3,490	1,329
Premises cleaning	2,279	133	2,412	4,166
Premises repairs and maintenance	6,103	-	6,103	-
	<u>33,860</u>	<u>2,907</u>	<u>36,767</u>	<u>25,530</u>
General administrative costs, including depreciation and amortisation				
Depreciation of Computer Equipment	640	-	640	-
Depreciation of Leasehold Property Improvements	-	-	-	-
Bad debts	68	-	68	-
Bank charges	67	-	67	174
Equipment expensed	587	125	712	5,970
General insurances	2,730	-	2,730	6,657
Software, IT support and related costs	4,133	144	4,277	-
Stationery and printing	3,246	55	3,301	4,603
Subscriptions	-	-	-	488
Sundry expenses	1,020	-	1,020	2,259
Telephone, fax and broadband	2,115	149	2,264	1,994
	<u>14,606</u>	<u>473</u>	<u>15,079</u>	<u>22,145</u>
Legal and professional costs				
Audit/Independent examination fees	1,500	-	1,500	1,836
Accountancy and bookkeeping	2,561	-	2,561	2,258
Consultancy fees	6,871	-	6,871	-
Other legal and professional costs	1,889	-	1,889	3,079
	<u>12,821</u>	<u>-</u>	<u>12,821</u>	<u>7,173</u>
Total of expenditure of other costs	<u>128,951</u>	<u>5,910</u>	<u>134,861</u>	<u>122,777</u>
Total expenditure	<u>310,511</u>	<u>43,518</u>	<u>354,029</u>	<u>351,499</u>
Net gains on investments	-	-	-	-
Net income	<u>17,829</u>	<u>(10,018)</u>	<u>7,811</u>	<u>39,718</u>
Transfers between funds	1,507	(1,507)	-	-
Net income before other gains/(losses)	<u>19,336</u>	<u>(11,525)</u>	<u>7,811</u>	<u>39,718</u>
Other Gains	-	-	-	-
Net movement in funds	<u>19,336</u>	<u>(11,525)</u>	<u>7,811</u>	<u>39,718</u>
Reconciliation of funds:				
Total funds brought forward	82,110	11,525	93,635	53,917

Footsteps Children's Services Ltd
Detailed Statement of Financial Activities

Total funds carried forward

<u>101,446</u>	<u>-</u>	<u>101,446</u>	<u>93,635</u>
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FOOTSTEPS CHILDREN'S SERVICES LTD

England & Wales - Charity number 1146996

Accounts



FOOTSTEPS CHILDREN'S SERVICES LTD
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year ended 31 August 2020

Charity number 1146996

Company number 06866200

FOOTSTEPS CHILDREN'S SERVICES LTD

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TRUSTEES ANNUAL REPORT

For the year ended 31 August 2020

The trustees are pleased to present their annual Trustees report together with financial statements of the charity for the year ended 31 August 2020 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and activities

The objectives of Footsteps Children's Services Ltd are 'to act as a resource for children and young people up to the age of 11 living in the north east of England by providing advice and assistance and organising programmes of physical, educational and other activities'.

The Charity is established to act as a resource for children up to the age of 11 years in the North East of England by providing educational facilities.

The Charity does this by providing:

- full and part-time day care places,
- mobile crèche facilities to support the work of voluntary and community groups,
- crèche facilities to support the delivery of adult and family learning,
- supply staff to Sure Start Children's Centres, nurseries and other early years settings,
- out of school and 'wrap-around' provision,
- holiday club provision
- advice and support to vulnerable families, including access to a food and clothing bank, and referral to specialist support services
- support to children with additional needs and disabilities

The purpose of the Charity is also to further benefit the residents of Newcastle and the neighbourhood without distinction of sex, sexual orientation, race or of political, religious or other options by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for residents.

Achievements and performance

Footsteps Children's Services Ltd has experienced another successful year in regards to the services that we deliver. This has somewhat been eclipsed by the impact of the Covid 19 global Pandemic which sent the UK in to lockdown from March 2020. We will however attempt to give an overview of work pre and post March 2020, giving an oversight of all of our settings between Sept 2019- Mar 2020 and then Mar 2020 – Aug 2020.

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For the year ended 31 August 2020

Sept 2019- March 2020

Footsteps Darras Hall Between Sept and December 2019 we continued to offer our early years and wrap around care services at this site, following the move from our original building in to this unit in 2018 as part of the new school build plans, we began to develop the interior and exterior of the building, we created a garden space that included construction and planting areas. Indoors we re-painted the building and developed areas of learning within the building, expanding our role play areas and exploratory areas. Footsteps Darras Hall regularly cared for between 80 and 100 children per week, with breakfast and out of school club services having the greatest attendance.

Funding from St James Foundation provided funds to offer 1-1 support to children who required additional support to access all that the setting has to offer, great progress has been made with these children.

Baseline assessments at Darras Hall showed that almost all of the children were at their expected stage of development. Throughout the year those children have been able to maintain their level of learning and some moving onto being above their expected stage of development

In October 2019 it was identified that the service would struggle to remain viable in its current format and we explored the opportunities to reduce the service to only offering wrap around care, however in December 2019 there was a fault identified with the Gas supply into the property and we were given notice from our landlords that the cost of repairs were too large for a site that was part of a phased demolition programme, we were then given notice to vacate the property, we managed to source a new premises locally that would allow us to deliver a reduced after school club service, we remained at Darras Hall until March 2020 and were due to launch services at our new site from April 2020. Because of Covid 19 restrictions this was delayed (please see review April 2020-August 2020, for further info).

Footsteps Nunsmoor continues to deliver playgroup services, children access playgroup either through morning or afternoon sessions.

We have continued to provide 1-1 support and focused development sessions to children who require extra support to access their Early Years Entitlement, Funding from Reece Group and St James Foundation has enabled this 1-1 work, and has also been used to purchase resources to support children's learning and play experiences.

We secured £3000 funding from Newcastle Building Society in June 2019 to develop our garden area at Nunsmoor and at Dolphin Street, but due to settings being term time only and a delay of delivery for some larger pieces of equipment then we began this work in Sept 2019. This involved purchasing digging pits, outdoor mud kitchens and exploratory tables, sand, soil and bark to create natural and interesting outdoor spaces for children to grow,

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TRUSTEES ANNUAL REPORT

For the year ended 31 August 2020

learn and develop their skills. Many children in our care do not have any access to “safe” outdoor play spaces as they live within inner city terraces or flats.

Baseline assessments showed some children who were below their expected stage of development in all areas of learning, with careful observation and planning children were making good progress during this time frame.

Footsteps Dolphin Street following the most recent Ofsted inspection in April 2019 where this setting was graded Outstanding in all areas we have continued to offer a variety of services to local families including stay and play and drop in sessions during the school holidays and also provides emergency care packages that include food, nappies and clothing. Numbers of children accessing services continues to rise.

We again successfully secured £5,000 of funding from Reece Group. We used this to provide services to children who require support to access all that nursery life has to offer. This normally takes the format of 3 one hour sessions per week where up to four children within the hour will receive 1-1 support for approximately 15 minutes each. Activities offered in these sessions are specific to the needs of the child, some of which have been identified by our staff team, but we also follow the plans put in place by speech and language therapists and SEN teachers. We secured a further £5000 from Reece group to extend the SEND support we offer to local families, this funding also supported our food bank and helped to purchase new learning resources for the children.

All of our settings continue to provide support to children with complex needs. These range from children who are looked after, children subject to child protection plans or Early Help Plans, children with disabilities and children with complex health needs. All of these children received appropriate support with some families successfully coming off plan and some children with additional needs making significant progress.

Early Years Pupil Premium has been used to purchase resources that support children’s learning based upon their interests and areas of development.

We secured £3000 funding from Newcastle Building Society in June 2019 to develop our garden area at Nunsmoor and at Dolphin Street, but due to settings being term time only and a delay of delivery for some larger pieces of equipment then we began this work in Sept 2019. This involved purchasing digging pits, outdoor mud kitchens and exploratory tables, sand, soil and bark to create natural and interesting outdoor spaces for children to grow, learn and develop their skills. Many children in our care do not have any access to “safe” outdoor play spaces as they live within inner city terraces or flats.

Footsteps Mobile Crèche were delivered across the city between Sept and March, we provided support to other charities delivering courses to families, helping people set up their own businesses or get ready for employment. We have provided crèche support to George St Social, an enterprise working with recovering addicts, that provide counselling and peer support. We have also provided supply staff to other organisations.

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For the year ended 31 August 2020

Footsteps Westgate

Footsteps Westgate provides crèche services to children whose parents are accessing adult learning opportunities at Westgate Community College. A large proportion of parents are attending English speaking classes and therefore most of the children have English as an additional language.

In offering this service at Westgate it allows parents to access education and in turn may provide more job opportunities in the future. This can have long lasting and wide impact on the family unit as a whole, and also can act as a motivator for future generations. So whilst it can be viewed that we offer a childcare service, we feel without the childcare element parents simply would not be able to progress their education, employment and some degree their lives in the same way if we did not provide the childcare. We are very proud of all that has been achieved at Westgate with lots of parents feeding back that the crèche workers have made such a difference in helping them with their studies as they know their children are in “safe hands”.

April 2020-August 2020

Footsteps Ponteland

This afterschool club was due to launch in April 2020 as a relocation from our Darras Hall site. Unfortunately, due to National Lockdown and the restrictions on service delivery it was not possible to open this site in April.

This site was re-launched in September 2020.

Footsteps Nunsmoor

This site was closed as part of National Lockdown between April and June 2020, we had the potential to remain open to deliver services to key workers and vulnerable children, however all attending families chose to self-isolate and there was no requirement for the service.

We continued to provide online activities for children, and complete weekly welfare checks for vulnerable families and our child protection work continued with managers attending core groups, and conferences via Teams.

This setting re-opened on 1st June offering a reduced service for families wanting to attend, children attended morning sessions in small groups. The setting re-opened in Sept 2020 to all children.

Footsteps Dolphin St

This site was closed as part of National Lockdown between April and June 2020, we had the potential to remain open to deliver services to key workers and vulnerable children, however all attending families chose to self-isolate and there was no requirement for the service. However, we did open the building for appointments only to collect food bank supplies, or seek professional help and support.

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For the year ended 31 August 2020

Weekly welfare checks were completed for vulnerable families, and our child protection work continued with managers attending core groups, and conferences via Teams.

Footsteps Howdon

This service was due to be launched in April 2020, however due to National Lockdown restrictions this service was launched in Sept 2020. (please refer to the developments section of this report).

Footsteps Westgate

This service supports adult learning and was closed from April 2020 until September 2020, this service is delivered as part of a contract with Newcastle City Council and is currently suspended due to adult learning not yet being fully reinstated. Please refer to the contracts section of this report.

Footsteps Mobile Crèche Service

There has been no demand for this service between April and August 2020 as face to face delivery of courses has been halted, and supply staff have not been permitted due to infection control, demand for services has also reduced across the sector so the need for supply staff has reduced.

Overall April 2020- August 2020

During the lockdown period as an organisation we have completed:

- 400 Welfare check ins on vulnerable families, done over the telephone and in emergency situations face to face
- We opened our Dolphin St site during lockdown on numerous occasions to offer 1-1 support to families and provide food and care packages
- 50 Doorstep deliveries in the west end of Newcastle – providing activity packs, toys and resources to children in the most deprived areas' who do not have easy access to a wide range of toys at home.
- Social Media Video content two or three times per week, showing activities, reading stories, singing songs
- An increase in food bank usage.

This was no mean feat considering we went from a team of 30 to a team of three, we acknowledge those staff members that were furloughed, that accepted it with grace, without grumbling, they had to take a pay cut and not one person quibbled about that!

Those that were working had to learn how to work in completely different ways to how they would usually work and just adapted to the situation ensuring the children's needs were met. We could not be any prouder of our exceptional team for however they contributed during this period, whether it was working throughout, or just their response to furlough, we cannot commend our people to you enough.

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For the year ended 31 August 2020

Additional Funding

£2500 St James Place – allocated to 20/21 – SEND SUPPORT

£3000 Joicey Trust – allocated 20/21 – core costs

£16000 Covid Resilience Fund (+£3000 in consultancy) – allocated to 20/21 – Staff Retention

£10000 Reece Group £5000 allocated to 19/20 and £5000 allocated to 20/21 – SEND and Family Support to reduce poverty and crisis.

Training and Development

In 2019 we designed created and delivered a staff training programme focusing on Outstanding Practice, the course ran from January until July and consisted of the following units:

1. The Environment
2. Interactions
3. Teaching and Learning
4. SEND and Referrals

The training was made up of face to face training, group work and work books to complete between units to help to consolidate the learning taking place. It was an interesting process and on this occasion it was for internal use, but we are keen to see if this and future training can be rolled out to other organisations.

As part of our future plans we hope to develop a “get in to childcare” programme, focusing on working with people who are interested in pursuing a career in childcare and provide them with an introduction in to childcare, giving insight in to the different types of careers that can be found in childcare and also providing hands on volunteer experience in our settings. We believe that this programme will be most effective if delivered in collaboration with other agencies that focus on supporting people in to employment, we will seek to further develop links with these organisations over the year.

Public benefit statement

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's objectives and planning its future activities. This annual report will aim to demonstrate the link between our charitable activity and how this benefits our service users.

Financial review

Footsteps Children's Services Ltd is funded by grant income from Newcastle City Council, parent fees, agency nursery fees and crèche fees. The total income for the period was £391,217 (2019: £378,901). This income is allocated across respective funds on the Statement of Financial Activities in accordance with the Statement of Recommended Practice.

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For the year ended 31 August 2020

The Statement of Financial Activities for the period shows a surplus across all funds of £39,718 (2019: deficit -£18,131).

The Balance Sheet at 31 August 2020 shows total funds carried forward of £93,635 (2019: £53,917) of which there are £11,525 restricted funds (2019: £3,603).

Reserves policy

Footsteps Children's Services Ltd has maintained a small level of free reserves over the years currently £82,110 (2019: £50,314) to meet the working capital requirements of the charity in the event of a significant drop in funding. It has established a policy whereby the unrestricted funds held by the charity should be between 3 and 6 months of annual expenditure. At 31 August 2020 free reserves represent 3 months of running costs which the trustees believe to be prudent in light of challenges faced in securing funding.

Risk Management

The Board of Trustees understands the importance of assessing major risks that the Charity could face. Appropriate systems, controls and procedures have been established to reduce our exposure, and manage, monitor and mitigate risk and uncertainty.

An annual review of the major risks faced by the Charity is undertaken and the Trustees are satisfied that our procedures are in line with our risk management process.

Risk management is considered at regular Trustee meetings and sub groups where any changes or new risks identified are considered and responded to.

Currently the greatest risk the charity faces is the expansion of the government initiative of 30 hours of free childcare to working parents. There is not significant government funding attached to this offer to parents to cover actual costs of care, this is a sector wide problem and not exclusive to our charity.

Covid Recovery Plan

The Covid 19 pandemic has had an impact globally on business, services and charities. As a small local charity we have seen closure of our sites during lockdown, limits placed upon the amount of children we can care for at any one time, a completely revised way of working and a slowdown in occupancy levels. We have had our local authority contracts suspended, and our mobile crèche business entirely eradicated. We have had to put on hold the launch of two new sites and have lost all predicted income from those sites for two financial quarters, which will also have a knock on effect to the time we predicted we would need to build up these businesses and therefore are anticipating at least a loss of income for three financial quarters. All of this happening when we were already facing sector wide challenges and some financial difficulty.

It would be understandable to look at the situations we have been in and think that we have had a good run to this point, and outlived many other charities and providers and perhaps it

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For the year ended 31 August 2020

is time to admit defeat, close down the charity and transfer any remaining assets to another group. Understandable it might be, but to give up and close down doesn't reflect who we are, and with the help of the Job Retention Scheme that has supported our staffing costs then we are in a position to consider what the future holds, rather than not having a future at all. We are able to think about what the future for Footsteps Children's Services Ltd looks like, what changes we need to make to rebuild and the purpose of this plan is to outline how we recover and move on from our current position.

Our organisations original ethos was based on the theory that "the need is the call" if you see a need and you can meet it, then that is your call for today, coupled with an attitude of, if you have the ability to help someone, you have the responsibility to do so.

As an organisation we have skills, resources and the desire to help make a difference where we can, to provide children with solid foundations, to narrow the gap between those most disadvantaged families and the rest of the population. We want to use all of the skills, knowledge and resources we have to make a real and significant difference to children and families living in areas of disadvantage.

Not all of the needs we see are connected to disadvantage, we see an increased number of children using our services who have Special Educational Needs and Disabilities (SEND) we believe that ALL children have a right to play, learn and develop at their own pace and exceed the expectations placed upon them, there is a need for the service we offer to ensure that all children are given the best possible opportunity to learn and develop.

The needs within the community stretch beyond our service users, we seek to also recruit from the local community and add benefit through employment and training opportunities.

Whilst our charity must remain financially sustainable and strive to build reserves it is important that the services we offer are centred around the needs of the local communities we serve and meet our existing charitable aims and not solely focused upon maximising income generation.

There are a number of areas to consider in our recovery:

Our People

Trustees

Our Board of Trustees is made up of a group of volunteers representing business, charitable and community sectors. The trustees possess a wealth of business knowledge, some run their own businesses and others have experience working in large commercial outlets. We have trustees with vast experience of running a charity and of the skills needed for community development.

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Trustees give their time voluntarily and currently meet bi-monthly, we have been meeting virtually over lockdown, but aim to return to face to face meetings from October 2020 depending upon government guidelines.

We would be looking to renew our mem and arts to ensure that should we face lockdown measures again we can continue to meet virtually and also ensure that our documents truly reflect the work that we do and make any relevant updates.

It will be necessary to recruit more trustees in the near future to ensure that our work can be governed and supported adequately.

Team

Whilst we ensure an inclusive and open recruitment process we are keen to recruit from the local community. We offer an induction programme and supervision for all staff members.

As an organisation we are committed to supporting individuals become the very best versions of themselves, The CEO is dedicated to providing a safe working environment and supporting others to get to a place of self-acceptance, of knowing their worth and being free to bring the very best of themselves not just to their place of work, but also to the wider community that we serve.

We are committed to professional development and provide a range of internal and external training opportunities.

Our team is made up of hard working individuals who give their very best to the work they do within the guidelines of their role and job description. Our organisational structure provides supervision and support at every level, with added extras such as SEND Organisational and Practitioner Lead. There is a designated safeguarding officer at each site, the CEO is Designated Safeguarding Lead for the whole organisation, with the Operational Manager acting as Deputy.

We recognise that our workforce is at the very heart and centre of what we do and must be a priority when planning for the future, in order to recover from this situation, it may be necessary to adjust some working hours using "flexi" furlough.

Due to the suspension of some contract work and low occupancy levels it may also be necessary for staff members to work across the organisation rather than their regular place of work, changes to hours and settings will be done in consultation with affected team members.

We are committed to do all that we can to retain all of our staff team, any funding received that can be used for core costs will be used to protect salaries in the short term until contracts resume and numbers pick up. As a worst case scenario if we do not see a return to our contracts or find ourselves with low occupancy levels over a prolonged period it may be necessary to look at salary or role reductions across the organisation.

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Support

We currently have a small group of volunteers who support our work in various ways, mainly through attendance at our sub-groups. It is important that we continue to keep in contact with our supporters in the current climate as face to face meetings are not possible, and sub-groups have been somewhat disbanded due to capacity and the need to focus solely on sustainability and immediate service delivery.

The CEO will ensure that supporters are contacted and updated about their area of interest and will maintain open communication pathways.

Suppliers

Footsteps has a trusted group of regular suppliers, at this point in time we do not have any outstanding payments and do not anticipate being unable to meet any planned works already identified within our budget. There are no immediate issues with cash flow and there is a healthy balance to meet outgoings within our supplier's terms and conditions.

Finance

Our current income streams are as follows:

Early Years Offer 2, 3 and 4-year-old offer /Newcastle, Northumberland and North Tyneside Councils. This is our main source of income and in 19/20 accounted for 57% of our income, the funding is allocated per child and we only receive the funding if the child is in attendance. The funding is paid by an initial % payment at the start of each term followed by a balancing payment on submission of headcount data to the local authority. We receive a projected budget set by the local authority based upon the previous year's payments, with amends being made on balancing payments to reflect actual numbers of children in attendance.

During lockdown the local authority honoured the payments that had been identified in our projected budget for the year, however now that lockdown is lifted and nurseries and schools are open then we will only be funded for any children that actually attend.

We anticipate a lower level of occupancy than previous years, due to shielding, self-isolation and parents being fearful of their child returning to the setting. This may result in a drop in income across all departments, we will use funding we have secured to plug any gaps in the interim and continually monitor the situation in terms of our ability to retain staff in the long term.

Inclusion Funding

As a high proportion of the children in our care present with SEND then we also receive inclusion funding, this funding is for individual children and can only be used for their education and welfare. We do not anticipate inclusion funding in itself to drop this year, but obviously we only receive it for the children we have in attendance that qualify for the funding. If our numbers are lower than usual, then it is inevitable that some of the families

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For the year ended 31 August 2020

that choose not to attend may also be the recipient of inclusion funding, and therefore even if there are no “cuts” locally to this funding, our income may still drop due to attendance levels. We may need to secure additional funding through grants and trusts to support our service delivery.

Deprivation Funding

This funding is allocated to providers who work with families in high areas of deprivation, the purpose of this is in recognition that families living in high areas of disadvantage may require additional support to other families to help narrow the gap between the most disadvantaged and other members of the community.

This funding needs to be used on enrichment activities for children, in the past it has been used to develop outdoor spaces as lots of children living in the inner city do not have safe outdoor play spaces. We have used funding to backfill staff to support families, and have bought in extra activities such as music and arts specialists and arranged theatre trips for children who because of economical position would not be able to access the arts.

This funding is based upon the data collected from headcount from the previous year and equates to 9% of total funding awarded for eligible children each term. The annual deprivation supplement will be varied; we are notified of our supplement at the end of March annually.

Whilst this funding should be secure for this financial year, it may not be guaranteed in the future, we need to ensure are not relying on this funding to deliver our services, it would be advantageous to attempt to secure core costs from grants and funds at around £10000 per annum to cover the income usually generated by this fund.

Parents Fees

This is the income generated by parents paying for our services, as we mainly cater for families living in high areas of deprivation then this income is now mainly generated from our after school provision in Ponteland.

Historically this income has been generated from our services at Darras Hall which closed in April 2020 due to the demolition of our rented premises. It was our intention transfer services to Ponteland in April 2020 but due to National Lockdown restrictions this was not possible, we therefore lost 2 quarters of income generation from this site, and also the opportunity to promote this service in the way that we would have liked to.

Contracts

Early Years

We currently hold contracts with Newcastle City Council, North Tyneside Council, Northumberland Council for the delivery of Early Years Education 2, 3 and 4-year-old offer.

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These contracts were honoured during full national lockdown, however from September 2020 onwards we will only receive funding for the children we have on roll. This may have a significant impact on income if there is a lower uptake of places due to self-isolation, shielding or parents being fearful of the children returning to settings.

It is not anticipated that there will be any reductions in funding for Early Years as affordable and accessible childcare is crucial in rebuilding the economy, however we should anticipate a potential drop in income due to lower occupancy levels.

Westgate Crèche

We hold a contract with Newcastle City Council Children, Education and Skills Directorate for the delivery of Crèche Provision at Westgate College, this has a contract value of £40k per annum, however gets topped up by other funding and usually generates between £40-£45k per annum.

During lockdown we were unable to deliver this contract due to the closure of the site and no adult learning taking place, we were able to claim from the Job Retention Scheme to support salary costs during lockdown, however there is a shortfall between the salary costs and the actual costs of delivering the service that we include within the hourly rate charged in the contract. It was initially thought that we would see a loss for this service between April and July 2020, however we have since been offered supplier relief from the local authority and they have paid us the difference between the JRS and the rate they would have paid.

This contract is one we would consider most at risk; following lockdown we have returned to a reduced ad-hoc type of crèche service at Westgate due to the current restrictions around adult learning, this involves us providing a limited service to allow learners to access tutorials, however classes are being held online, we are currently only accommodating one or two children per hour across the day. This is manageable under the current Job Retention Scheme (JRS).

The following points provide a solution for the short term:

- Staff can be re-deployed to other areas within the business to cover some hours, however because of the current situation we are wanting to limit the “floating” of staff between sites to cover hours, as if there are any positive cases of Covid 19 at a setting if staff have worked at more than one site we might need to close multiple sites if we can identify close contact.
- The Covid 19 Resilience Funding we have secured for staff retention can be used to retain staff until March 2021

Mobile Crèche

Our mobile crèche service is offered using a booking systems with associated terms and conditions.

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Most of our mobile crèche supports Family Learning, ESOL and Self-Employment/ Entrepreneur based courses. Due to the current situation there has been no bookings for this service as face to face courses are either being deferred or delivered online.

Our mobile crèche business on average generates a gross profit of approx. £2k per annum, and provides work for 6 workers on an as and when required basis.

We do not anticipate any return to crèche bookings for the foreseeable future and will remove this projected income and expenditure from the 20/21 budget.

Funding received/opportunities

Reece Group

We have benefited from funding from Reece West End Fund for the past four years averaging between £5k and £10k per annum. This fund is used to support children with additional needs who either do not qualify for inclusion funding, are awaiting a diagnosis or the funding they have received is not sufficient to effectively meet their needs. We have seen outstanding progress made by children receiving support through this fund.

We were allocated £5000 in April 2020 for the remainder of the 19/20 financial year, we contacted the Reece Group on receipt of the funds and requested that the funding be rolled in to 20/21 because of the closure of sites due to Lockdown. The Reece Group supported this decision and agreed the funding could be rolled over.

This funding has been allocated to our Dolphin St site in the first instance, but any underspend can be used to support any children at any of our sites in the West End of Newcastle. The funding will predominantly be spent on 1-1 support and focused development groups but it has also been agreed that up to £1000 of this allocation can be spent on resources for the delivery of focused development sessions, and to top up our emergency care packages for families in need.

It is expected at the current time that this funding will be used within the financial year 20/21.

The future of the West End Fund is uncertain, prior to Covid 19 the fund had reached its natural end and its future was under review. We are awaiting notification if this grant will be open to applications in 20/21. If we assume that the fund will no longer be available, we will need to secure another funding source if we wish to continue this work. There are possible funders we could approach to continue this work which we would consider to be part of our core offer and vital to our service users.

St James Place Charitable Foundation

We have received £2.5k from this foundation, to support children with SEND, this replicates the work we do with the Reece Funding but across other settings, this allocation of funding

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can be spread across our organisation and is need led rather than divided up in equal amounts to each department.

Again this grant was awarded during lockdown and we have had approval that this can be rolled over to 20/21 financial year.

Joicey Trust

We have secured £3k towards core costs, we have communicated with Joicey Trust who have confirmed that there are no restrictions on its use and we can use it wherever it is needed.

Covid 19 VCSE Resilience Fund

We will have received £19k through this grant in 20/21 broken down as follows:

£16k to support with staff retention, this funding needs to be drawn down by 31st March 2021 and will be used to retain salaries of those where income generation does not cover current salary costs. An example of this would be our current contract at Westgate where the contract has been suspended but it is anticipated that it will return, therefore jobs are viable in the long term, but for the short term it is not generating the income required to meet our contractual obligations to staff.

This funding can be used to support these salaries until the contract resumes in full, if it is identified that the contract will not return in full beyond March 2021 the we will need to consider reducing hours or redundancy.

This funding can also be used to provide a contribution to head office salary costs whilst occupancy levels are lower than expected and early years funding is reduced resulting in settings not having sufficient income to contribute towards management costs.

£3k has been awarded to support consultancy and business resilience. This has been allocated as follows:

Finance

£400 towards updating our financial systems, costs include a change from our existing SAGE software to XERO accountancy package

£600 three half days of training on XERO

Governance/change management

£1000 towards review of governing documents and 10-year plan.

Marketing and Communication

£400 for 2-hour professional photo shoot to include ownership of digital images for promotional materials

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£600 towards buying in social media support to create a plan, manage posts and create content. (awaiting quote for hourly rate)

BIPC 'City Life Expert Support' Grant

This grant has a value of £2000 under state aid, which we receive in terms of 8 hours of expert support from Kate Duffy of RHWE. We had the opportunity to tap in to a number of different skill sets within RHWE but it was identified that our most pressing need is financial and therefore we received support to submit a funding application to Global Make Some Noise Grant.

Newcastle Business Support Grant Covid 19

£5000- core costs

Northumberland Business Support Grant Covid 19

£10,000 – core costs

Newcastle Best Summer Ever

£1500 awarded to support the delivery of welfare checks, and at home learning packs during the summer holidays, this entitlement has now been spent in full.

Funding Opportunities

Global Make Some Noise – Emergency Fund

We have been successful in securing £29K funding from make some noise to be released 20/21.

What are our biggest strengths?

Our biggest strengths lie in the quality of service we deliver to children and families. Our most recent Ofsted inspection graded our work Outstanding in all areas a summary of key findings showed:

- Partnerships with parents are excellent. Parents are highly complementary about the outstanding quality of the nursery environment, the educational support and exemplary care that their children receive from staff. They describe how staff create a 'welcoming', 'non-judgemental' and 'special' atmosphere.
- Partnership working is exceptionally well embedded. These highly effective and engaging partnerships with parents and other professionals enable staff to meet all children's individual needs exceptionally well. This is particularly effective in supporting children with special educational needs and/or disabilities (SEND). Parents feel they are kept fully involved in their children's learning and all assessment processes.
- There is a culture of reflective practice in place. The manager and staff are entirely invested and show firm commitment to continuously improving the already excellent

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practice in place. Self-evaluation is ongoing, incisive and leads to targeted improvement plans that have a substantial impact on outcomes for children.

- Teaching is inspirational. Staff consistently extend children's learning to the highest levels, using their professional knowledge of how children learn and develop exceptionally well. They expertly adapt activities to tailor their approach to reflect children's individual stage of learning and their emerging interests. Children make rapid progress in their learning.
- Staff are excellent role models. They strongly support children to develop their self-confidence and self-awareness. Children are extremely well behaved.

We provide over and above early years' education; the early intervention and preventative work we complete with families is another of our main strengths, we work closely with other agencies to ensure the whole needs of the child are met.

Our work using the Early Help format in partnership with Newcastle City Council is particularly successful, we identify needs within a family where extra help is required, we make a referral to Early Help and then take the lead role on coordinating a group of professionals to support the family, this is a consent based process so families have to be willing to enter in to the process. Early Help is also a key function of closing a child protection plan, as the child protection plan closes, the case reverts to an early help plan, this allows the family to gain any support required from a team of professionals when social care have stepped down and closed the case. We have significant experience of delivering both the early intervention element and the social care step down, we are well placed to act as Early Help Lead Professionals offering daily contact and support to the family and the co-ordination with other organisations.

The support we give children with SEND is another of our main strengths, we have a highly skilled and experienced workforce to deliver education provision to children with additional needs.

Our inclusive approach both in terms of how we connect with all families, and our recruitment from the local community ensures that the ethnic diversity within our organisation remains one of our core strengths. We speak 9 different languages across our organisation which puts us in a strong position to be able to meet the needs of local families who have English as an additional language. It is incredibly daunting as a parent to leave your child in the care of someone else often for the very first time. The child themselves can also That fear is hugely magnified when you do not speak the same language and cannot communicate your child's needs, or answer questions or fill in registration forms to be able to access our services. Our bi-lingual staff team prove to be a huge comfort to families and asset to our organisation in these situations.

Our resilience is a key strength, we have faced challenging times before and have a proven track record of overcoming difficulties, of adjusting what we do, accommodating and being open to change and diversifying service delivery when necessary. Our whole staff team are committed, focused and loyal to the organisation and our aims and objectives, they are without a doubt the biggest strength and asset that we have as an organisation, and their wellbeing must continue to be at the forefront of future planning and recovery.

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We have a committed Board of Trustees who provide strong governance to the organisation and a line of accountability for the CEO to ensure that decisions being made are ethical, legal and there is no conflict of interest.

The CEO founded the charity and has a wealth of knowledge in regards to the quality expected for service delivery, the core values that allow us to remain successful and the vision and drive to move the organisation on to its next stage. The CEO has reflected on their contribution to the organisation and carefully considered if they have the correct skill set to continue the work on, The CEO feels that they have the skills required to lead the organisation and provide vision and enthusiasm for the next stage of operations post Covid 19, they have also recognised the need to buy in some services both to release their time to be able to move things forward and to also have a wider skill set to draw from.

Developments

Footsteps Howdon

We have launched a playgroup service at Howdon Hub in Sept 2020 (delayed due to lockdown), the uptake of places so far has been slow, with lots of initial interest but they haven't really transferred in to bookings. They have predicted a loss for this service in 20/21 therefore in order for this service to be sustainable the occupancy levels need to reach 50% the current occupancy level is 24%, It is recognised that the service needs more publicity, we are in the process of purchasing new signage and enlisting the support of a social media consultant to promote the service.

Footsteps Ponteland

This service was also launched in Sept 2020 (delayed due to lockdown) initial occupancy levels were very good, however the third lockdown from January 2021 has meant that we have only legally been able to provide a service to critical workers and vulnerable children so this has had an impact on our occupancy levels. We anticipate that we will return to our usual service delivery once National Lockdown restrictions are lifted.

New Services

Training and Development

For a number of years, we have been developing our in-house training programme and as part of our recovery plan and income diversification it would be beneficial to explore the opportunities in delivering training at a cost to outside agencies.

The CEO has multiple years' experience in delivering training to others, and has provided senior team members with the opportunity to develop their skills both in creating training materials and in presenting content. Our Ofsted Outstanding grade throws further weight to our credibility and content.

Summary

After fully reviewing all aspects of our current service delivery we believe that our services are still relevant and that there is still a need for our work within the community.

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We have identified that in order to recover from the current situation we need to ensure that our workforce as our most valuable asset are considered in any strategic decision making that results in any changes to our core offer, and that they are consulted with throughout the process.

We acknowledge that we may need to review staffing if occupancy levels do not return to previous or anticipated levels. We also see the need to recruit Trustees to support with the governance of the organisation, ideally with experience in the following areas, Finance, Marketing, Legal and Children's Services.

It is important to recognise the skill gaps within the organisation and we should seek consultancy support with immediate effect to help with the marketing and promotion of our services, particularly our social media presence. High quality images would help enormously therefore a professional photographer has been sourced to complete this work.

Whilst we have been successful in securing funding for our organisation, some external support should be considered on an ad-hoc basis to manage and submit applications for larger grants, this would allow the CEO scope to work on the smaller quick wins, rather than being consumed by the larger applications.

We have appointed a new accountant who can provide training and will be switching to a financial software package that meets our requirements.

In terms of growth the current workforce is beyond capacity and introducing new sites in the next 12 months is not deemed beneficial, we have just opened two new sites and time should be spent and invested in the development of those sites before seeking new opportunities. There may be scope as these settings develop to consider new sites should something arise, however in terms of recovery the immediate focus should be on securing the sites we have, developing potential services such as training and seeking funding to support core costs before we attempt to open any new sites.

In closing

It is important that in life and when planning for recovery we recognise that every business, every person will have both success and regrets have had resounding victories and have made mistakes and it is how we respond to those things will determine how happy, successful and resilient we become. Our response to these things determine the outcome, if we can own the things that weren't done so well, and learn from any mistakes, then our response will determine our outcome, our response in these situations will determine our success. We cannot control the things around us, we cannot control the external factors like in the case a global pandemic the only thing we can control is our response to it, how much we let external situations impact our internal operations and our own personal wellbeing will ultimately affect our recovery. Our response as individuals and as an organisation will be the difference between survival or surrender.

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As an organisation we choose to move forward from the situation we are in and are committed to future service delivery, we have some reserves that will help us through the coming months, and we will endeavour to rebuild and recover from any loss we have experienced. Footsteps Children's Services seeks to build upon our strengths and continue to offer our services in areas of need.

Goals for the year ahead would be to see an increase in diverse active Board Members, we would also seek to improve the marketing and publicity within our organisation.

We are keen to develop our excellent SEND work we currently deliver and would seek funding to maintain the lead role that provides advice and support to managers and training to teams across the organisation to develop this work further. We would seek funding to have a designated worker to offer family support.

We will continue to work with Peninsula, our Human Resources and Health and Safety consultants to ensure we meet all of our legal and moral obligations for everyone we employ.

The plans we have for the future to grow, develop and review our services will be done to ensure sustainability of the organisation and we will share updates on the progress of these plans on a regular basis through existing staff meeting structures.

We seek to continue to meet our initial aims and objectives whilst being responsive to the need around us, and flexible in our approach to meet the needs of service users within our financial capacity.

Reference and administrative details of the charity, its trustees and advisors

Charity Name Footsteps Children's Services Ltd

Registered Charity 1146996
Number

Company Number 06866200

Registered Office Suite 14
and operational John Buddle Work Village
address Buddle Road
Newcastle upon Tyne, NE4 8AW

Trustees Lisa Brady
 Alexandra Jane Johnson
 Paul Lofthouse
 Kevin Chipperfield Resigned 3 September 2020
 Elizabeth Lowther

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Independent Examiner	Jim Dodds Connected Voice Business Services C/O Connected Voice Higham House Higham, Place Newcastle upon Tyne NE1 8AF
Bankers	Barclays Bank PLC Leicester LE87 2BB

Structure, governance and management

Governing documents

The organisation is a charitable company limited by guarantee, incorporated on the 1 April 2009. The company was established under a Memorandum of Association which establishes the objectives and powers of the charitable company and is governed under its Articles of Association as amended 9 February 2012.

Appointment of Trustees

Trustees are elected at the AGM and can serve more than one term. Interested possible new trustees are encouraged to attend trustee meetings and then are co-opted at the AGM.

Organisation

The Trustees meet each month and deal with the administration of the charity encompassing the strategic vision, financial accountability and risk management.

The operational management of the organisation is undertaken by the paid staff team.

Pay policy for senior staff

The trustees set the pay of the management comparing against equivalent roles within the voluntary sector. The nationally recognised National Joint Council pay scales are used to set the pay of all staff. Inflationary pay awards are periodically approved in line with national NJC pay agreements.

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TRUSTEES ANNUAL REPORT

For the year ended 31 August 2020

Trustees responsibilities in relation to the financial statement

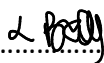
The trustees, who are also directors for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of incoming resources and application of resources, including the income and expenditure of the charitable company for that year. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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.

Approved by the Board on 25/03/2021 and signed on their behalf by:


.....

Lisa Brady
Chair

FOOTSTEPS CHILDREN'S SERVICES LTD

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 August 2020

I report on the financial statements of Footsteps Children's Services Ltd for the year ended 31 August 2020, which are set out on pages 23 to 34.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Association of Charity Independent Examiners.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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 accounts to be reached.

Jim Dodds FCIE
Connected Voice Business Services
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 25/03/2021



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STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING SUMMARY INCOME & EXPENDITURE ACCOUNT)

For the year ended 31 August 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income from:					
Donations and legacies	6	731	-	731	3,014
Charitable activities					
Grants and contracts	7	373,732	16,657	390,389	375,738
Investments	8	97	-	97	150
Total income		374,560	16,657	391,217	378,901
Expenditure on:					
Raising funds	9	260	-	260	272
Charitable activities					
Operation of the charity	10	342,504	8,735	351,239	396,761
Total expenditure		342,764	8,735	351,499	397,033
Net income/(expenditure) and net movement of funds		31,796	7,922	39,718	(18,131)
Reconciliation of funds					
Total funds brought forward		50,314	3,603	53,917	72,048
Total funds carried forward		82,110	11,525	93,635	53,917

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 25 to 34 form an integral part of these accounts.

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Charity Number 1146996

Company Number 06866200

BALANCE SHEET

As at 31 August 2020

	Notes	£	Total 2020 £	£	Total 2019 £
<u>Current assets</u>					
Debtors	18	5,234		2,448	
Cash at bank and in hand	19	162,182		99,140	
		167,416		101,588	
Creditors: amounts falling due within one year					
	20	(43,781)		(47,671)	
			123,635		53,917
Net current assets					
Total assets less current liabilities					
			123,635		53,917
Creditors: amounts falling due after more than one year					
	21	(30,000)		-	
Total net assets or liabilities					
			93,635		53,917
<u>Funds of the charity</u>					
Unrestricted income funds			82,110		50,314
Restricted income funds			11,525		3,603
Total funds					
			93,635		53,917

The company was entitled to an exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

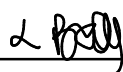
The notes on pages 25 to 34 form an integral part of these accounts.

These financial statements were approved by the Board on:

25/03/2021

and are signed on its behalf by:

Lisa Brady
Chair



FOOTSTEPS CHILDREN'S SERVICES LTD

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Footsteps Children's Services Ltd meets the definition of a public benefit entity under FRS 102.

2.2 Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis. In making their assessment the trustees have reviewed and considered relevant information, including their annual budget and future cash flows. In response to the COVID-19 pandemic, the trustees have revised their forecasts to take into account measures that they can take with the current resources available to mitigate the impact of the current adverse conditions. The trustees are of the view that the immediate future of the charity for the next 12 months is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

3.4 Volunteer help

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

3.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.6 Income from membership subscriptions

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.

3.7 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of child care and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

4.5 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.6 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

5 Assets

5.1 Tangible fixed assets for use by the charity

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Leasehold property improvements	Straight line over five years
Office furniture	Straight line over five years
Office and computer equipment	Straight line over four years

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
6 Donations and legacies				
Donations and gifts	731	-	731	3,014
	<u>731</u>	<u>-</u>	<u>731</u>	<u>3,014</u>
7 Charitable activities				
<u>Income from grants and contracts</u>				
Newcastle City Council - Inclusion	15,635	-	15,635	5,726
Newcastle City Council - Early years	184,647	-	184,647	171,262
Newcastle City Council - Deprivation	13,230	-	13,230	5,409
Northumberland County Council - Early years	17,079	-	17,079	21,515
Business Support Funding (Covid-19)	15,100	-	15,100	-
HMRC Job Retention Scheme	27,867	-	27,867	-
Covid Resilience Funding	16,000	-	16,000	-
Reece Group	-	10,000	10,000	10,000
Prudhoe Street Mission	-	-	-	-
St James's Place Charitable Foundation	-	2,500	2,500	2,500
The Joicey Trust	-	3,000	3,000	-
Street Games	-	1,157	1,157	-
Co-op Local Community Fund	-	-	-	-
Skipton Building Society	-	-	-	2,000
Newcastle Building Society	-	-	-	3,000
The Big Potential	-	-	-	6,100
Crèche contract	29,733	-	29,733	45,863
<u>Income from charges</u>				
Parent fees	44,605	-	44,605	90,460
Crèche fees	5,911	-	5,911	8,511
Other income	3,925	-	3,925	3,393
	<u>373,732</u>	<u>16,657</u>	<u>390,389</u>	<u>375,738</u>
8 Income from investments				
Bank interest	97	-	97	150
	<u>97</u>	<u>-</u>	<u>97</u>	<u>150</u>

Income was £391,217 (2019: £378,901) of which £374,560 was unrestricted or designated (2019: £355,301) and £16,657 was restricted (2019: £23,600).

FOOTSTEPS CHILDREN'S SERVICES LTD

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
9 Raising funds				
Fundraising costs	260	-	260	272
	<u>260</u>	<u>-</u>	<u>260</u>	<u>272</u>
10 Charitable activities				
<u>Direct costs</u>				
Staff costs	210,601	6,051	216,652	253,397
Staff training, travel and refreshments	809	-	809	3,201
Protective clothing, health & safety	1,622	-	1,622	2,120
Resources	-	2,684	2,684	2,339
Nursery activity costs	4,541	-	4,541	3,604
Provision of lunch and food	1,203	-	1,203	2,032
Out of school	-	-	-	440
Events	879	-	879	1,392
<u>Support costs</u>				
Management and admin salaries	67,588	-	67,588	64,792
Management and admin other	341	-	341	501
Rent and rates	20,035	-	20,035	17,498
Heat and light	1,329	-	1,329	1,765
Insurance	6,657	-	6,657	6,678
Maintenance, cleaning and refuse	4,166	-	4,166	7,535
Telephone	1,994	-	1,994	3,133
Marketing and promotion	1,100	-	1,100	1,555
Printing, stationery and consumables	4,603	-	4,603	5,820
Small office equipment	5,970	-	5,970	3,633
Bank charges	174	-	174	281
Subscriptions and licences	488	-	488	2,482
Sundry	1,159	-	1,159	512
Professional fees	2,258	-	2,258	4,666
Depreciation	-	-	-	3,996
<u>Governance costs</u>				
Trustees meeting costs and AGM	72	-	72	1,110
Independent examiner's fees for reporting on the accounts	1,836	-	1,836	1,830
Legal fees	3,079	-	3,079	449
	<u>342,504</u>	<u>8,735</u>	<u>351,239</u>	<u>396,761</u>

Expenditure on charitable activities was £351,499 (2019: £396,576) of which £342,764 was unrestricted or designated (2019: £371,369) and £8,735 was restricted (2019: £25,207).

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

11 Fees for examination of the accounts

	2020 £	2019 £
Independent examiner's fees for reporting on the accounts	1,836	1,830
Other accountancy services paid to the examiner	2,658	2,738
	<u>4,494</u>	<u>4,568</u>

12 Analysis of staff costs and the cost of key management personnel

	2020 £	2019 £
Salaries and wages	273,659	294,563
Social security costs	7,491	11,921
Pension costs (defined contribution pension plan)	3,090	2,843
	<u>284,240</u>	<u>309,327</u>

No employee received remuneration above £60,000 (2019: nil)

The key management personnel of the charity, comprise the trustees and the Director of Children's Services. The total employee benefits of the key management personnel of the charity were £38,328 (2019: £36,633).

13 Staff numbers

The average monthly head count was 26 staff (2019: 26 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2020 Number	2019 Number
The parts of the charity in which the employee's work.		
Charitable activities	18.0	20.0
	<u>18.0</u>	<u>20.0</u>

14 Transactions with trustees

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

No trustee expenses have been incurred in the year.

Transaction(s) with related parties

There have been no related party transactions in the reporting period.

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15 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £3,090 (2019: £702). There was £2,843 outstanding as at 31 August 2020 (2019: £1,864).

16 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

	Leasehold property improvements £	Total £
17 Tangible fixed assets		
Cost		
Balance brought forward	19,979	19,979
Additions	-	-
Disposals	-	-
Balance carried forward	<u>19,979</u>	<u>19,979</u>
Depreciation		
Basis	SL	
Rate	20%	
Balance brought forward	19,979	19,979
Depreciation charge for year	-	-
Disposals	-	-
Balance carried forward	<u>19,979</u>	<u>19,979</u>
Net book value		
Brought forward	<u>-</u>	<u>-</u>
Carried forward	<u>-</u>	<u>-</u>

18 Debtors and prepayments (receivable within 1 year)

	2020 £	2019 £
Trade debtors	2,793	2,594
Provisions for doubtful debts	(511)	(146)
Other debtors	2,952	-
	<u>5,234</u>	<u>2,448</u>

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19 Cash at bank and in hand

	2020 £	2019 £
Short term deposits	45,280	45,194
Cash at bank	116,659	53,617
Cash in hand	243	328
	<u>162,182</u>	<u>99,140</u>

20 Creditors and accruals (payable within 1 year)

	2020 £	2019 £
Trade creditors	2,023	2,395
Accruals		
Independent examination of accounts	1,836	1,830
Deferred income		
Newcastle City Council	39,649	43,446
Other creditors	273	-
	<u>43,781</u>	<u>47,671</u>

21 Creditors and accruals (payable after more than 1 year)

	2020 £	2019 £
Business Interruption Loan	30,000	-
	<u>30,000</u>	<u>-</u>

The business interruption loan commenced 23 July 2020, there are no payments or interest for the first twelve months, then six years to pay back with no early payment charge.

21 Deferred income

Deferred income comprises of advance payments from grants that relate to future periods.

	2020 £
Balance brought forward	43,446
Amount released to income earned from charitable activities	(43,446)
Amount deferred in year	39,649
Balance carried forward	<u>39,649</u>

22 Events after the end of the reporting period

No events (not requiring adjustment to the accounts) have occurred after the end of the reporting period but before the accounts are authorised which relate to conditions that arose after the end of the reporting period.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

23 Analysis of charitable funds

Analysis of movements in unrestricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	50,314	374,560	(342,764)	-	82,110
Totals	50,314	374,560	(342,764)	-	82,110

Purpose of unrestricted funds

General unrestricted fund The 'free reserves' after allowing for designated funds

Analysis of movement in restricted funds

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
Reece Group	-	10,000	(4,185)	-	5,815
Skipton Building Society	601	-	(578)	-	23
St James's Place Charitable	710	2,500	(710)	-	2,500
Newcastle Building Society	2,291	-	(2,105)	-	186
Street Games	-	1,157	(1,157)	-	-
Joicey Trust	-	3,000	-	-	3,000
Totals	3,603	16,657	(8,735)	-	11,525

23 Analysis of charitable funds continued

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Reece Group	Providing 1:1 support for children with additional needs and resources for the sensory room.
Skipton Building Society	To purchase children's resources.
St James's Place Charitable	Providing 1:1 support for children with additional needs.
Newcastle Building Society	To develop the children's outdoor area at the setting.
Street Games	To assist in financing the provision of the externally funded Newcastle Best Summer Ever programme.
Joicey Trust	Providing a contribution towards core costs.

24 Capital commitments

As at 31 August 2020, the charity had no capital commitments (2019 -£nil).

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

25 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Cash at bank and in hand	150,657	11,525	162,182	99,140
Other net current assets/(liabilities)	(38,547)	-	(38,547)	(45,223)
	<u>82,110</u>	<u>11,525</u>	<u>93,635</u>	<u>53,917</u>