



Footsteps Children's Services Ltd

Charity No. 1146996

Company No. 06866200

Trustees' Report and Unaudited Accounts

31 August 2021

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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, appearing to read 'L. Brady', is written over the printed name and title.

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	361,840	391,217
Expenditure	353,327	351,499
Interest payable	62	-
Depreciation and charges for impairment of fixed assets	640	-
Total expenditure for the year	354,029	351,499
Net income before tax for the year	7,811	39,718
Net income for the year	7,811	39,718

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		<u>124,946</u>	<u>123,635</u>
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 2021	Total 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 2021	Total 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 2021	Total 2020
	£	£	£
Bank interest	56	56	97
	<u>56</u>	<u>56</u>	<u>97</u>

8 Expenditure on raising funds

	Unrestricted	Total 2021	Total 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 2021	Total 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 2021	Total 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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