



**Footsteps Children's Services Ltd**

**Charity No. 1146996**

**Company No. 06866200**

**Trustees' Report and Unaudited Accounts**

**31 August 2023**

	Pages
Trustees' Annual Report	2
Independent Examiner's Report	14
Statement of Financial Activities	15
Summary Income and Expenditure Account	16
Balance Sheet	17
Statement of Cash flows	18
Notes to the Accounts	19 to 27
Detailed Statement of Financial Activities	28 to 29

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", written over the printed name and date.



**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.

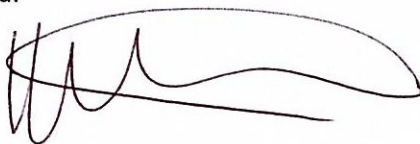
**Independent examiner's statement**

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**

		<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
	<b>Notes</b>				
<b>Income and endowments from:</b>					
Donations and legacies	4	814	-	814	687
Charitable activities	5	337,596	19,050	356,646	380,313
Investments	6	271	-	271	11
<b>Total</b>		<b>338,681</b>	<b>19,050</b>	<b>357,731</b>	<b>381,011</b>
<b>Expenditure on:</b>					
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
<b>Total</b>		<b>369,658</b>	<b>18,710</b>	<b>388,368</b>	<b>371,971</b>
Net gains on investments		-	-	-	-
<b>Net (expenditure)/income</b>	10	<b>(30,977)</b>	<b>340</b>	<b>(30,637)</b>	<b>9,040</b>
Transfers between funds		-	-	-	-
<b>Net (expenditure)/income before other gains/(losses)</b>		<b>(30,977)</b>	<b>340</b>	<b>(30,637)</b>	<b>9,040</b>
<b>Other gains and losses</b>					
<b>Net movement in funds</b>		<b>(30,977)</b>	<b>340</b>	<b>(30,637)</b>	<b>9,040</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		100,396	10,090	110,486	101,446
<b>Total funds carried forward</b>		<b>69,419</b>	<b>10,430</b>	<b>79,849</b>	<b>110,486</b>

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Income	357,460	381,000
Interest and investment income	271	11
<b>Gross income for the year</b>	<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
<b>Total expenditure for the year</b>	<u>388,368</u>	<u>371,971</u>
Net (expenditure)/income before tax for the year	(30,637)	9,040
<b>Net (expenditure )/income for the year</b>	<u>(30,637)</u>	<u>9,040</u>



**Footsteps Children's Services Ltd**

**Balance Sheet**

**at 31 August 2023**

<b>Company No. 06866200</b>	<b>Notes</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Fixed assets</b>			
Tangible assets	12	1,078	1,702
		<u>1,078</u>	<u>1,702</u>
<b>Current assets</b>			
Debtors	13	87	2,076
Cash at bank and in hand		150,058	180,918
		<u>150,145</u>	<u>182,994</u>
<b>Creditors: Amount falling due within one year</b>	14	(59,874)	(56,710)
<b>Net current assets</b>		<u>90,271</u>	<u>126,284</u>
<b>Total assets less current liabilities</b>		<u>91,349</u>	<u>127,986</u>
<b>Creditors: Amounts falling due after more than one year</b>	16	(11,500)	(17,500)
<b>Net assets excluding pension asset or liability</b>		<u>79,849</u>	<u>110,486</u>
<b>Total net assets</b>		<u><u>79,849</u></u>	<u><u>110,486</u></u>
<b>The funds of the charity</b>			
<b>Restricted funds</b>	17		
Restricted income funds		10,430	10,090
		<u>10,430</u>	<u>10,090</u>
<b>Unrestricted funds</b>	17		
General funds		65,419	100,396
Designated funds		4,000	-
		<u>69,419</u>	<u>100,396</u>
<b>Reserves</b>	17		
<b>Total funds</b>		<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 £
<b>Cash flows from operating activities</b>		
<b>Net (expenditure)/income per Statement of Financial Activities</b>	(30,637)	9,040
<b>Adjustments for:</b>		
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)
<b>Net cash (used in)/provided by operating activities</b>	<u>(24,844)</u>	<u>23,420</u>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(582)	(1,054)
Dividends, interest and rents from investments	271	11
<b>Net cash used in investing activities</b>	<u>(311)</u>	<u>(1,043)</u>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(6,000)	(6,000)
<b>Net cash used in financing activities</b>	<u>(6,000)</u>	<u>(6,000)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(31,155)	16,377
<b>Cash and cash equivalents at the beginning of the year</b>	180,918	165,552
<b>Cash and cash equivalents at the end of the year</b>	<u>149,763</u>	<u>181,929</u>
<b>Components of cash and cash equivalents</b>		
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 £
<b>Income and endowments from:</b>			
Donations and legacies	687	-	687
Charitable activities	354,313	26,000	380,313
Investments	11	-	11
<b>Total</b>	<b>355,011</b>	<b>26,000</b>	<b>381,011</b>
<b>Expenditure on:</b>			
Raising funds	162	-	162
Charitable activities	226,080	8,315	234,395
Other	129,819	7,595	137,414
<b>Total</b>	<b>356,061</b>	<b>15,910</b>	<b>371,971</b>
<b>Net income</b>	<b>(1,050)</b>	<b>10,090</b>	<b>9,040</b>
<b>Net income before other gains/(losses)</b>	<b>(1,050)</b>	<b>10,090</b>	<b>9,040</b>
<b>Other gains and losses:</b>			
<b>Net movement in funds</b>	<b>(1,050)</b>	<b>10,090</b>	<b>9,040</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	101,446	-	101,446
<b>Total funds carried forward</b>	<b>100,396</b>	<b>10,090</b>	<b>110,486</b>

## 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>



## 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 Number	2022 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
	£	£	£
<b>Cost or revaluation</b>			
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>
<b>Depreciation and impairment</b>			
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>
<b>Net book values</b>			
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 £
<b>Restricted funds:</b>					
<b>Restricted income funds:</b>					
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>
<b>Unrestricted funds:</b>					
<b>General funds</b>	100,396	338,681	(369,658)	(4,000)	65,419
<b>Designated funds:</b>					
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>
<b>Total funds</b>	<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

## 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 Land and buildings £	2023 Other £	2022 Land and buildings £	2022 Other £
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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**

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2023	2023	2023	2022
	£	£	£	£
<b>Income and endowments from:</b>				
Donations and legacies				
Fundraising	814	-	814	687
	814	-	814	687
Charitable activities				
Grants and Contracts	337,596	19,050	356,646	380,313
	337,596	19,050	356,646	380,313
Investments				
Bank interest	271	-	271	11
	271	-	271	11
<b>Total income and endowments</b>	<b>338,681</b>	<b>19,050</b>	<b>357,731</b>	<b>381,011</b>
<b>Expenditure on:</b>				
Costs of other trading activities				
	248	-	248	162
	248	-	248	162
<b>Total of expenditure on raising funds</b>	<b>248</b>	<b>-</b>	<b>248</b>	<b>162</b>
Charitable activities				
Grants and Contracts	210,715	12,911	223,626	219,636
Children's Resources	22,001	1,723	23,724	14,759
	232,716	14,634	247,350	234,395
<b>Total of expenditure on charitable activities</b>	<b>232,716</b>	<b>14,634</b>	<b>247,350</b>	<b>234,395</b>
Other expenditure				
Other interest payable	519	-	519	669
	519	-	519	669
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
	81,503	-	81,503	76,336
Motor and travel costs				
Travel and subsistence	2,248	-	2,248	1,166
	2,248	-	2,248	1,166
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>
<b>Total of expenditure of other costs</b>	<u>136,694</u>	<u>4,076</u>	<u>140,770</u>	<u>137,414</u>
<b>Total expenditure</b>	<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>
<b>Net (expenditure)/income</b>				
<b>Net (expenditure)/income before other gains/(losses)</b>	<u>(30,977)</u>	<u>340</u>	<u>(30,637)</u>	<u>9,040</u>
Other Gains	-	-	-	-
	<u>(30,977)</u>	<u>340</u>	<u>(30,637)</u>	<u>9,040</u>
<b>Net movement in funds</b>				
<b>Reconciliation of funds:</b>				
Total funds brought forward	100,396	10,090	110,486	101,446
<b>Total funds carried forward</b>	<u>69,419</u>	<u>10,430</u>	<u>79,849</u>	<u>110,486</u>