

# STEPPING STONES CHILDCARE (CORNWALL)

England & Wales · Charity number 1154205

## Details

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**Other names** SSSC

**Status** Registered

**Legal form** CIO

**Registered** 2013-10-15

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Stepping Stones Pre-School  
12-14 Wesley Place  
St. Austell  
PL25 4QA

**Phone** 0172674493

**Email** [business@steppingstonescornwall.co.uk](mailto:business@steppingstonescornwall.co.uk)

**Website** [www.steppingstonescornwall.co.uk](http://www.steppingstonescornwall.co.uk)

## Activities

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**Objects:** TO ENHANCE THE DEVELOPMENT AND EDUCATION OF CHILDREN BY ENCOURAGING PARENTS/CARERS TO UNDERSTAND AND PROVIDE FOR THE NEEDS OF THEIR CHILDREN THROUGH COMMUNITY GROUPS BY:(A) OFFERING APPROPRIATE PLAY, EDUCATION AND CARE FACILITIES, FAMILY LEARNING AND EXTENDED HOURS GROUPS.(B) OFFERING PARENTS/CARERS THE OPPORTUNITY TO BECOME INVOLVED IN THE ACTIVITIES OF SUCH GROUPS.(C) ENSURING THAT SUCH GROUPS OFFER OPPORTUNITIES FOR ALL CHILDREN WHATEVER THEIR RACE, CULTURE, RELIGION, MEANS OR ABILITY.(D) ENCOURAGING THE STUDY OF THE NEEDS OF SUCH CHILDREN AND THEIR FAMILIES AND PROMOTING PUBLIC INTEREST IN AND RECOGNITION OF SUCH NEEDS IN THE LOCAL AREA.(E) INSTIGATING, ADHERING TO AND FURTHERING THE AIMS AND OBJECTS OF THE PRE-SCHOOL LEARNING ALLIANCE.

**Activities:** The charity's principal activity is to provide education and childcare for children below compulsory school age in the St Austell area. In addition, the charity provides education and childcare for school aged children during school holidays.

## Classification

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

## Geography

- Cornwall

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£501,676	£475,183	£135,671	29
2024-08-31	£420,799	£429,423	-	-
2023-08-31	£353,520	£409,636	-	-
2022-08-31	£370,374	£341,083	-	-
2021-08-31	£313,758	£312,339	-	-

## Trustees

Name	Role	Appointed
<b>GAYLE OWEN</b>	Chair	2013-07-22
Fern Lauren Mackenzie		2024-04-24
Gillian Bate		2026-03-18
James Aaron Double		2024-02-28
Jemma Louise Lobb		2026-03-18
Laura Ann Hare		2018-07-18
Leah Jade Orme-Thompson		2022-11-16
<b>MELANIE JANE RICKARD</b>		2013-07-22
Mia Nicole Welch		2026-03-18
Terrie Gillian Elizabeth Lee		2017-03-02

**STEPPING STONES CHILDCARE (CORNWALL)**

England & Wales - Charity number 1154205

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# Accounts

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Charity Number 1154205

STEPPING STONES CHILDCARE (CORNWALL)

Annual Report and Unaudited

Financial Statements

For the year ended 31st August 2024

## **Stepping Stones Childcare (Cornwall)**

### **Financial Statements for the Year Ended 31st August 2024**

#### **Contents**

Page 1	Cover Sheet
Page 2	Contents
Page 3	Reference and Administration Details
Pages 4 - 8	Trustees' Report
Page 9	Independent Examiner's Report
Page 10	Statement of Financial Activities
Page 11	Balance Sheet
Page 12 - 13	Note 1: Accounting Policies
Page 14	Note 1: Accounting Policies (Cont.) Note 2: Voluntary Income Note 3: Other Activities
Page 15	Note 4: Investment Income Note 5: Incoming Resources from Charitable Activities Note 6: Other Income Note 7: Net Income/Expenditure for the Year Note 8: Cost of Raising Funds
Page 16	Note 9: Analysis of Expenditure on Charitable Activities and support cost allocations Note 10: Staff Costs Note 11: Payments to Trustees
Page 17	Note 12: Tangible Fixed Assets Note 13: Debtors: Amounts falling due within one year
Page 18	Note 14: Creditors: Amounts falling due within one year Note 15: Deferred Income
Page 19	Note 16: Movements in Restricted and Unrestricted Funds
Page 20	Note 17: Analysis of Net Assets between Funds Note 18: Related Party Transactions Note 19: Operating Lease Commitments Note 20: Full Analysis

## **Stepping Stones Childcare (Cornwall)**

### **Reference and Administration Details of the Charity, Trustees, Senior Management Team and Advisors**

#### **Trustees**

Gayle Owen, Chair  
Terrie Lee, Assistant Secretary  
Melanie Rickard  
Joanne Crompton - resigned 28.02.2024  
Laura Mitchell  
Laura Hare  
Leah Orme-Thompson, Secretary  
Emma Rowett - Resigned 04.10.2023  
James Double - Appointed 28.02.2024  
Fern Mackenzie - Appointed 24.04.2024

#### **Senior Management Team**

Julie Double	Manager
Gill Bate	Business Manager (Left 30.06.2024)
Charlotte Pascoe	Deputy Manager/SENCo

#### **Charity Number**

1154205

#### **Principal Office Address**

12-14 Wesley Place  
St Austell  
PL25 4QA

#### **Independent Examiner**

Phillips Frith LLP  
9 Tregarne Terrace  
St Austell  
PL25 4DD

#### **Bankers**

National Westminster Bank plc  
1 Church Street  
St Austell  
Cornwall  
PL25 4AW

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

The Trustees present their annual report together with the financial statements and independent examiner's report for the year ended 31st August 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Charity is a Charitable Incorporated Organisation governed by a constitution approved by the Charity Commission following its registration on 15th October 2013. There are no restrictions in the governing document on the operation of the Charity or on its investment powers, other than those imposed by general charity law.

The Charity is governed by a committee of up to 12 trustees of whom at least one must be a parent, carer or family member of a child registered to use its services.

Details of the Trustees who served throughout the year, the charity number and principal office address are included in the Reference and Administration Details on page 3.

#### **Trustees' Indemnities**

In accordance with normal commercial practice, the Charity has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Charity business. The insurance provides cover up to £500,000 on any one claim.

#### **Method of recruitment and appointment or election of Trustees**

When appointing new Trustees, the Board will give consideration to the skills and experience of existing Trustees in order to ensure that the Board has the requisite mix of skills to contribute fully to the Charity's development.

#### **Policies and Procedures adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the settings and a chance to meet staff and children. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction tends to be informal and is tailored specifically to the individual. Trustees are encouraged to attend external training courses to enhance their skills and understanding.

#### **Organisational Structure**

The Board of Trustees normally meets at least once each half term.

The Trustees are responsible for setting general policy, approving the statutory accounts, monitoring the Charity by the use of budgets and other data, and making strategic decisions about the direction of the Charity, capital expenditure and staff appointments and remuneration.

The Trustees have devolved responsibility for day to day management of the Charity to the Senior Management Team (SMT). The SMT comprises the Manager and Deputy Manager. The SMT implement the policies laid down by the Trustees and report back to them on performance.

The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

# Stepping Stones Childcare (Cornwall)

## TRUSTEES' REPORT

### **OBJECTIVES AND ACTIVITIES**

#### Objects and Aims

The principal object and activity of the Charity is to advance pre-school education for the public benefit in Cornwall, in particular by establishing, maintaining, sustaining, managing and developing pre-school and childcare facilities. As such it provides education for children below compulsory school age in two settings in St Austell, Cornwall; Mount Charles and at Scol Kensa, Carclaze.

The aims of the Charity are summarised below:

- To offer appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local areas.
- Instigating and adhering to and furthering the aims and objects of the Early Years Alliance.

The Charity is a community in which children, staff and parents should be part of a happy and caring environment.

#### Objectives, Strategies and Activities

During the year ended 31st August 2024, the charity aimed to:

- Support families by providing a safe environment in which children are cared for and educated. Provide learning opportunities and ideas to engage children and to support families at home.
- Increase awareness of the charity and potential occupancy by maintaining an online presence, in particular by using social media as a marketing and advertising tool.
- Explore ideas to increase occupancy levels paying particular attention to families in need.
- Continue to implement budgetary controls to minimise the impact of increasing staffing costs.
- Resume pre-covid level relationships with local primary school to enable the children's transition process to school to be as smooth as possible.
- Maintain and develop good professional relationships with outside agencies, professional bodies and to be involved with childcare improvement campaigns on a local level.
- Maintain and develop a good level of expertise amongst staff and encourage continuous professional development.

#### Public Benefit

The Trustees confirm that they have complied with the duty of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Charity's aims and objectives and in planning its future activities.

The Charity aims to advance for the public benefit, pre-school education in St Austell and the surrounding area. In particular, but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing pre-schools offering affordable childcare services.

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

### **Achievements and Performance**

This year has proved to be challenging. An overspend on staffing due to wage increases and low levels of booked attendance have resulted in a poor year financially. Although it was planned to use some reserves to fund the wage increases in advance of the expected funding rate rise, it was unfortunately also necessary to use reserves to cover day to day expenses meaning a large proportion of the charity's reserves have been depleted.

Government funding continued to be paid by our local authority. The total received was over £40,000 higher than the previous year and this represents a 15% increase and is due to an uptake of funded places during the year. The funding received to support children with additional needs has decreased this year as the funding was harder to achieve.

Recruitment of qualified staff continues to be challenging. Research suggests that there are fewer qualified staff in the industry and those remaining are reluctant to move to a new establishments. Alongside supporting several members of staff to study towards Level 3 qualifications, the Trustees agreed to increase wages ahead of and in excess of the minimum wage increases in April 2024. This achieved its aim and new qualified members of staff were recruited.

Full Ofsted inspections were carried out at both settings in this financial year. Mount Charles was inspected in September 2023 and was rated "Good". Scol Kensa was inspected in April 2023 and rated "Good". Recommendations for improvements at both settings have been noted and acted upon accordingly.

Continuing professional development for staff is encouraged. All childcare staff hold a current paediatric first aid certificate and a food hygiene certificate which need to be renewed every 3 years. They are fully up to date in their knowledge of Early Years Foundation Stage requirements. This is achieved through a combination of practical and online training methods.

The charity is building relationships again between local school's and arrangements supporting the children's transition to school have been resumed.

During the year, the Charity's fundraising activities raised £3,693 (2023: £2,763). Costs of £480 (2023: £340) were incurred leaving a net profit of £3,213 (2023: £2,423). Our biggest annual fundraising event, Party in the Park took place in May 2024 and generated funds of £2,219 with low expenses of £365, an improvement on the previous year which was still feeling the effects of the Covid-19 pandemic. Fundraising has improved on the prior year, with increased attendance and trying other fundraising activities such as breakfast with Santa, a Halloween Party and an event at Kidzworld.

### **Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The overspend on staffing has been addressed and it is therefore reasonable to adopt the going concern basis in preparing the financial statements.

# Stepping Stones Childcare (Cornwall)

## TRUSTEES' REPORT

### Financial Review

The majority of the Charity's income is obtained from the Local Authority in the form of Nursery Education Grant Funding for 3 & 4 year olds, 2 year old funding and from fees charged to parents.

During the year ended 31st August 2024, total income of £420,799 (2023: £353,520) is reported against total expenses of £429,423 (2023: £409,636) resulting in overall net expenses of £8,624 (2023: expenses £56,116).

Wages continue to be a significant expense to the charity. The trustees chose to use some reserves to increase wages above national minimum wage increases to continue to recruit and retain qualified staff in a challenging Early Years job market.

The Trustees have since acted to increase income by making grant applications so that care can be provided from 9 months old, a new service planned to start in 2025.

At 31st August 2024, the net book value of fixed assets was £94,807 and movements in tangible fixed assets are shown in note 12 to the financial statements.

Property improvements at Scol Kensa are being depreciated over the 25 year term of the lease. The lease terms state that the property is to be left as it was found and therefore improvements remain the property of the tenant after the term of the lease, meaning depreciation is appropriate rather than amortisation.

This year, £1,777 (2023: £2,558) of bad debts have been written off. This represents the combined debt of 42 children for whom there is little likelihood of receiving payment. Many of these bad debts relate to invoices for sessions never attended or administrative fees invoiced through the sales system that were voluntary and therefore cannot be pursued. Voluntary charges are made when a child has a fully funded place which has to be offered with the option of no additional cost. We have a comprehensive system to collect genuine outstanding fees and aim to minimise the period in which debt is allowed to increase. In cases where debt is in excess of £100, we aim to pursue this through the small claims court system.

### Reserves Policy

The Trustees review the reserve levels of the Charity annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Charity, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees' long term aim is to maintain reserves sufficient for redundancy and notice provision and for large property repairs. This has been calculated to be in excess of £100,000 and the Trustees recognise that it would be unrealistic to set a reserve of this level in the shorter term. It was therefore decided to work towards free reserves of £60,000 by 2025.

At the beginning of this financial year, there were free reserves of £19,880 and a review was planned to increase the previous aim of £60,000 which had been exceeded. However, due to a deficit this financial year, free reserves have reduced to £14,371 by the end of the year. Therefore, it is the Trustee's aim to build reserves back up to the £60,000 level as soon as possible.

### Investment Policy

Due to the nature and timing of receipt of funding, the Charity may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

# Stepping Stones Childcare (Cornwall)

## TRUSTEES' REPORT

### Risk Policy

The Trustees have assessed the major risks to which the Charity is exposed relating to its operations and finances and are satisfied that under the present system in place there is no significant exposure.

### Related Party Transactions

None of the Trustees receive remuneration or other benefit from their work as trustees with the charity (see note 11 for payments made to Trustees). Trustees whose children are registered to attend are charged at the going rate. During the year ended 31st August 2024, no children of Trustees attended and there were no invoices raised during the year.

### Trustees' Responsibility Statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

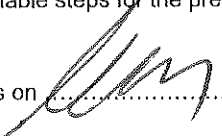
The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on ..... and signed on their behalf by:

Gayle Owen  
Chair

 19/05/2025  
←

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF STEPPING STONES CHILDCARE (CORNWALL)

I report to the Trustees on my examination of the financial statements of Stepping Stones Childcare (Cornwall) for the year ended 31 August 2024.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity, the Charity's members as a body and the Charity's Trustees as a body, for my independent examiner's work, for this report, or for the opinions I have formed.

### Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Amy Sole FCA

Dated: 20/5/2025

Phillips Frith LLP  
9 Tregarne Terrace  
St Austell  
Cornwall, PL25 4DD

## Stepping Stones Childcare (Cornwall)

### Statement of Financial Activities for the Year Ended 31st August 2024

	Notes	2024			2023
		Unrestricted	Restricted	Total	
<b>Income from:</b>					
Donations and grant funding	2	9	400	409	141
Other activities	3	3,695	-	3,695	2,763
Investments	4	290	-	290	346
Charitable activities	5	412,815	2,960	415,775	350,261
Other income	6	632	-	632	9
<b>Total income</b>		<b>417,441</b>	<b>3,360</b>	<b>420,801</b>	<b>353,520</b>
<b>Expenditure on:</b>					
Costs of raising funds	8	481	-	481	340
Charitable activities	9	425,104	3,841	428,945	409,296
<b>Total expenditure</b>		<b>425,585</b>	<b>3,841</b>	<b>429,426</b>	<b>409,636</b>
<b>Net (expenditure)/income and net movement in funds</b>		<b>(8,144)</b>	<b>(481)</b>	<b>(8,625)</b>	<b>(56,116)</b>
Total funds brought forward		110,125	7,678	117,803	173,919
<b>Total funds carried forward</b>	16	<b>101,981</b>	<b>7,197</b>	<b>109,178</b>	<b>117,803</b>

## Stepping Stones Childcare (Cornwall)

### Balance Sheet as at 31st August 2024

	Notes	<u>2024</u>	<u>2023</u>
<b>FIXED ASSETS</b>			
Tangible assets	12	94,807	97,924
<b>CURRENT ASSETS</b>			
Stock		1,149	1,060
Debtors and Prepayments	13	9,807	11,742
Cash at bank and in hand		<u>85,302</u>	<u>35,371</u>
		96,258	48,173
<b>CREDITORS</b>			
Amounts falling due within one year			
Creditors and Accruals	14	<u>81,887</u>	<u>28,294</u>
		81,887	28,294
<b>NET CURRENT ASSETS</b>		14,371	19,879
<b>NET ASSETS</b>		<u><u>109,178</u></u>	<u><u>117,803</u></u>
<b>CHARITY FUNDS</b>			
	16		
Unrestricted funds		101,981	110,125
Restricted funds		7,197	7,678
<b>TOTAL FUNDS</b>		<u><u>109,178</u></u>	<u><u>117,803</u></u>

These financial statements were approved by the Trustees on ..... 17 May 25 .....  
and signed on their behalf by:

.....  
  
 Gayle Owen  
 Chair

The notes on pages 12 to 22 form part of these financial statements.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2024

#### Note 1      Accounting Policies

##### **Basis of preparation of financial statements**

The financial statements have been prepared for the individual charity in accordance with the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016) - (Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cash flows

Stepping Stones Childcare (Cornwall) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for Charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

##### **Going Concern**

The accounts have been prepared on the assumption that the Charity is able to carry on as a going concern, which the Trustees consider appropriate. The Trustees are not aware of any reason why they should not continue to adopt the going concern basis of accounting (see the Trustees' Report).

##### **Fund accounting**

The funds of the Charity comprise:

- unrestricted funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity, and;
- restricted funds that can only be used for particular purposes within the objects of the charity. The restrictions, which are legally binding, arise when specified by the donor.

##### **Incoming resources**

All incoming resources are recognised once the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income derived from charitable activities are recognised as earned. Investment income is recognised on a receivable basis.

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources. Government grants are recognised when any performance conditions attached to the grants have been met and it is possible that the income will be received.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2024

#### Note 1

#### (continued) Accounting Policies

##### **Incoming resources continued**

Income from other activities represents voluntary income from fundraising events (principally donations). This is recognised on receipt.

Donated services, or facilities which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

##### **Resources**

Expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs associated with fundraising events
- Expenditure on charitable activities includes the education and childcare undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the Charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in the connection with the compliance with constitutional and statutory requirements of the charity. The allocation of support costs has been detailed in note 9.

##### **Taxation**

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Tangible fixed assets**

Individual fixed assets costing £100 or more are capitalised at cost. Depreciation is provided at the rates calculated to write off the cost less estimated residual value of each asset over its estimated useful economic life, as follows:

<b>Asset Category</b>	<b>Annual rate</b>
Freehold property	not depreciated
Property Improvements - Mount Charles	not depreciated
Property improvements - Scol Kensa	25 years from 2015
Equipment	33.33% reducing balance

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2024

#### Note 1

##### (continued) Accounting Policies

#### **Impairment of fixed assets**

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

#### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held at call with banks.

#### **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities (SOFA).

#### **Pension costs**

The Charity offers a workplace pension scheme to its employees and makes contributions as detailed in note 10. The Charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions. The costs are expensed in the SOFA and allocated to charitable activities, support and governance costs and charged to the unrestricted funds of the Charity. Any difference between the share to the SOFA and the contributions payable to the scheme is shown as an asset or liability in the Balance Sheet.

#### **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

#### Note 2

##### Voluntary Income

	<u>2024</u>	<u>2023</u>
Donations	9	141
Grant Funding	400	-
<b>Total</b>	<b>409</b>	<b>141</b>

Total voluntary income was £409 (2023: £141) of which £400 was restricted (2023:none)

The trustees are grateful to everyone who has made donations throughout the year.

#### Note 3

##### Other activities

<u>Description</u>	<u>Mount</u>	<u>Scol Kensa</u>	<u>Total</u>
	<u>Charles</u>		
Party in the Park income	1,109	1,109	2,218
Kidzworld fundraising stalls	15	15	30
Sale of surplus tuckshop	4	4	8
Kidzworld ticket sales	47	170	217
Halloween mugs and party	-	253	253
Commission on clothing sales	160	160	320
Reindeer food sales	70	70	140
Sale of leavers pebbles	14	29	43
Easyfundraising	34	34	68
Graduation cake sales	-	65	65
Recycle for charity	5	5	10
Breakfast with Santa	16	73	89
Christmas raffle	106	106	212
Profit on Sale of Children's Uniform	11	11	22
<b>Total 2024</b>	<b>1,591</b>	<b>2,104</b>	<b>3,695</b>
<b>Total 2023</b>	<b>1,335</b>	<b>1,428</b>	<b>2,763</b>

All fundraising income in both the current and previous year relate to unrestricted funds.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2024

**Note 4**      **Investment Income**

	2024	2023
Bank Interest receivable	290	346
<b>Total</b>	<b>290</b>	<b>346</b>

**Note 5**      **Incoming Resources from Charitable Activities**

	Unrestricted Funds	Restricted Funds	Total	2023
Childcare fees charged	92,188	-	92,188	64,523
3 & 4 YO Grant funding	219,258	-	219,258	194,807
2 YO Grant funding	98,473	-	98,473	80,597
Additional Grant funding	-	2,960	2,960	7,055
Milk Reimbursement	2,896	-	2,896	3,279
<b>Total</b>	<b>412,815</b>	<b>2,960</b>	<b>415,775</b>	<b>350,261</b>

Total income from charitable activities was £415,775 (2023: £350,261) of which £2,960 was restricted (2023: £7,055). The government grants receivable have been analysed by reference to the year group that the funding related. Total government grants received was £320,691 (2023: £282,459).

**Note 6**      **Other Income**

	2024	2023
SMP compensation	632	9
<b>Total</b>	<b>632</b>	<b>9</b>

**Note 7**      **Net income/(Expenditure) for the year**

	2024	2023
This is stated after charging:		
Depreciation	4,256	4,357
Operating lease payments	7,026	6,556
Bank Interest payable	122	12
Other interest payable	255	200

**Note 8**      **Cost of raising funds**

	Mount		Total
<u>Description</u>	Charles	Scol Kensa	
Small lottery licence	10	10	20
Halloween party expenses	-	75	75
Breakfast with Santa food	5	15	20
Party in the Park expenses	183	183	366
<b>Total 2024</b>	<b>198</b>	<b>283</b>	<b>481</b>
<b>Total 2023</b>	<b>140</b>	<b>200</b>	<b>340</b>

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2024

#### Note 9 Analysis of Expenditure on Charitable Activities

	Delivery Costs	Support Costs	Governance Costs	Total	2023
Establishment Costs	21,793	-	-	21,793	22,004
Labour Costs	247,045	99,786	22,167	368,998	347,460
General Costs	17,037	1,845	-	18,882	21,316
Administration Costs	-	8,586	-	8,586	7,569
Other Costs	-	8,016	2,670	10,686	10,947
<b>Total</b>	<b>285,875</b>	<b>118,233</b>	<b>24,837</b>	<b>428,945</b>	<b>409,296</b>
<b>Total 2023</b>	<b>269,762</b>	<b>112,103</b>	<b>27,431</b>	<b>409,296</b>	

Total expenditure on charitable activities was £428,943 (2023: £409,296) of which £3,841 (2023: £7,848) was restricted.

#### Support costs allocation

Cost allocation includes an element of judgement and the Charity has had to consider the cost/benefit of detailed calculations and record keeping. The basis for support costs allocation of wages is the estimated percentage of time spent on each activity. Governance costs are made up of the following:

	2024	2023
Proportion of managers' salaries	22,167	25,291
Independent examiners fees	2,670	2,140
	<b>24,837</b>	<b>27,431</b>

#### Note 10 Staff Costs

	Unrestricted Funds	Restricted Funds	Total	2023
Wages and Salaries	343,898	2,960	346,858	329,447
Social security costs	16,074	-	16,074	12,625
Employers Pension Costs	6,065	-	6,065	5,388
	<b>366,037</b>	<b>2,960</b>	<b>368,997</b>	<b>347,460</b>

Pension costs are allocated to the activities in proportion to the related staffing costs incurred.

#### Monthly average number of employees in the year were as follows

	2024	2023
Charitable Activities	26	28
Administrators	4	5
	<b>30</b>	<b>33</b>

No employee earned more than £60,000 per annum. The Charity considered its key management personnel in the year to comprise of the trustees and the Senior Management Team.

The total employment benefits including pension contributions of the key management personnel were £73,549 (2023: £77,273)

#### Note 11 Payments to Trustees

One Trustee (Joanne Crompton) was paid remuneration of £15,439 (2023: £14,120) for the services provided in her employment with the Charity (play assistant) She left her role as a trustee on 28th February 2024, but continues to be employed as a play assistant. Another Trustee (Leah Orme-Thompson) began employment at the charity in the year. She was paid remuneration of £1,671 for her services provided in her employment with the Charity, first as a play assistant and now as a business administrator. These payments have been made under authority of a provision in the constitution of the Charity. The Trustees have not been reimbursed for expenses during the year.

**Stepping Stones Childcare (Cornwall)**

**Notes to the Financial Statements for the Year Ended 31st August 2024**

**Note 12 Tangible Fixed Assets**

<u>Cost</u>	<u>b/f</u>	<u>Additions</u>	<u>c/f</u>
Freehold property	25,410		25,410
Property improvements Mount Charles	44,164		44,164
Property improvements Scol Kensa	34,111		34,111
Equipment Mount Charles	15,685	310	15,995
Equipment Scol Kensa	14,528	829	15,357
	<u>133,898</u>	<u>1,139</u>	<u>135,037</u>
<u>Depreciation</u>	<u>b/f</u>	<u>Charge for the year</u>	<u>c/f</u>
Property Improvements Scol Kensa	11,670	1,402	13,072
Equipment Mount Charles	13,373	874	14,247
Equipment Scol Kensa	10,931	1,980	12,911
	<u>35,974</u>	<u>4,256</u>	<u>40,230</u>
<u>WDV</u>	<u>b/f</u>		<u>c/f</u>
Freehold property	25,410		25,410
Property improvements Mount Charles	44,164		44,164
Property improvements Scol Kensa	22,441		21,039
Equipment Mount Charles	2,312		1,748
Equipment Scol Kensa	3,597		2,446
	<u>97,924</u>		<u>94,807</u>

All tangible fixed assets are used principally towards the furtherance of the Charity's direct charitable work

**Note 13 Debtors: Amounts falling due within one year**

	<u>2024</u>	<u>2023</u>
Outstanding Fees		
Mount Charles	1,853	2,110
Scol Kensa Caterpillars	755	1,023
Scol Kensa Butterflies	1,042	879
Scol Kensa Holiday Club	391	1,713
Scol Kensa Under 2	260	
	<u>4,301</u>	<u>5,725</u>
Overpayments to suppliers	785	1,716
Prepayments	4,602	4,210
Other debtors	119	91
<b>Total</b>	<u><u>9,807</u></u>	<u><u>11,742</u></u>

**Stepping Stones Childcare (Cornwall)**

**Notes to the Financial Statements for the Year Ended 31st August 2024**

<u>Note 14</u>	<u>Creditors: Amounts falling due within one year</u>	<u>2024</u>	<u>2023</u>
	Owing to suppliers	8,910	4,346
	Accruals	9,542	14,357
	Wages Owed Week 22	5,924	5,642
	PAYE Owed to HMRC	568	3,271
	Pension Contributions	232	332
	Fees received in advance	2,792	346
	Deferred Income <span style="float: right;">Note 15</span>	53,919	-
	<b>Total</b>	<b><u>81,887</u></b>	<b><u>28,294</u></b>
<u>Note 15</u>	<u>Deferred Income</u>	<u>2024</u>	<u>2023</u>
	Funding received in advance	53,919	-
		<b><u>53,919</u></b>	<b><u>-</u></b>

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2024

#### Note 16      Movements in Restricted and Unrestricted Funds

	Balance b/f	Incoming resources	Outgoing resources	Transfers	Balance c/f
<u>Restricted funds</u>					
Cornwall Council SENIF/DAF	-	2,960	2,960	-	-
The Big Lottery	6,955	-	435	-	6,520
CCF Manor Farm	108	-	36	-	72
Tesco	449	-	149	-	300
St Austell Town Council	166	-	56	-	110
Asda Foundation	-	400	206	-	194
	<u>7,678</u>	<u>3,360</u>	<u>3,841</u>	<u>-</u>	<u>7,197</u>
<u>Unrestricted funds</u>	110,125	417,441	425,585	-	101,981
	<u>117,803</u>	<u>420,801</u>	<u>429,426</u>	<u>-</u>	<u>109,178</u>
	Balance b/f	Incoming resources	Outgoing resources	Transfers	Balance c/f
<u>Prior year</u>					
<u>Restricted funds</u>					
Cornwall Council SENIF/DAF	-	7,055	7,055	-	-
The Big Lottery	7,390	-	435	-	6,955
CCF Manor Farm	160	-	52	-	108
Tesco	671	-	222	-	449
St Austell Town Council	250	-	84	-	166
	<u>8,471</u>	<u>7,055</u>	<u>7,848</u>	<u>-</u>	<u>7,678</u>
<u>Unrestricted funds</u>	165,448	346,465	401,788	-	110,125
	<u>173,919</u>	<u>353,520</u>	<u>409,636</u>	<u>-</u>	<u>117,803</u>

#### Restricted fund details

Cornwall Council provides additional funding through the Disability Access Fund (DAF) and the SEN Inclusion Fund (SENIF) for children who need additional support. Three children were supported in 2024.

The Big Lottery provided a grant in 2017 towards the cost of air conditioning for Scol Kensa. The depreciation charged for the year is treated as outgoing restricted funds.

CCF Manor Farm provided a grant in 2017 to purchase bikes for both settings. The depreciation charged for the year is treated as outgoing restricted funds.

Tesco provided a grant for outdoor equipment at Scol Kensa in 2022. The depreciation charged for the year is treated as outgoing restricted funds.

St Austell Town Council provided a grant of £250 towards the replacement cost of white goods at the Mount Charles in 2022. The depreciation charged for the year is treated as outgoing restricted funds.

Asda Foundation provided a grant of £290 towards the cost of a mud kitchen and £110 towards small expenses at the Forest School. The depreciation charged on the mud kitchen for the year is treated as outgoing restricted funds.

**Stepping Stones Childcare (Cornwall)**

**Notes to the Financial Statements for the Year Ended 31st August 2024**

**Note 17**      **Analysis of Net Assets between Funds**

	Unrestricted Funds	Restricted Funds	Total Funds 2024
Tangible Fixed Assets	87,610	7,197	94,807
Current Assets	96,258	-	96,258
Creditors	(81,887)	-	(81,887)
	101,981	7,197	109,178
	Unrestricted Funds	Restricted Funds	Total Funds 2023
Prior year			
Tangible Fixed Assets	90,246	7,678	97,924
Current Assets	48,173	-	48,173
Creditors	(28,294)	-	(28,294)
	110,125	7,678	117,803

**Note 18**      **Related Party Transactions**

During the year no Trustees used childcare services.

**Note 19**      **Operating Lease Commitments**

At 31st August 2024, the Charity had total commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
Within one year	8,438	6,556
Between two and five years	33,752	26,224
After five years	92,818	78,672
	135,008	111,452

**Note 20**      **Full Analysis**

A full analysis of incoming and outgoing resources can be found in the appendix attached.

STEPPING STONES CHILDCARE (CORNWALL)

## Appendix

For the Year Ended 31st August 2024

## **Stepping Stones Childcare (Cornwall)**

**Year Ended 31st August 2024**

### **Appendix Contents**

Page 1	Cover Sheet
Page 2	Contents
Page 3	Total Profit and Loss Account
Page 4	Mount Charles Profit and Loss Account
Page 5	Scol Kensa Profit and Loss Account
Page 6	Governance Costs Analysis Support Costs Analysis
Page 7	Other Income Analysis

## Stepping Stones Childcare (Cornwall)

### Profit and Loss Account Year Ended 31st August 2024

	<u>2024</u>	<u>2023</u>
<b><u>INCOME</u></b>		
Fees charged	92,188	64,523
3 & 4 YO Nursery Education Grant funding	219,258	194,807
2 YO Funding	98,474	80,597
Additional funding	<u>2,960</u>	<u>7,055</u>
	412,880	346,982
Milk Reimbursement	2,896	3,279
Other Income	1,332	496
Fundraising Income	<u>3,693</u>	<u>2,763</u>
	420,801	353,520
<b><u>COST OF SALES</u></b>		
Fundraising Purchases	481	340
<b><u>EXPENSES</u></b>		
Business Rates	410	443
Water Rates	472	681
Light and Heat	7,943	6,506
Buildings Insurance	1,718	1,373
Property Repairs	2,140	4,275
Rent	7,026	6,556
Security Costs	1,004	1,270
Storage Costs	<u>1,080</u>	<u>900</u>
	21,793	22,004
<b><u>Labour Costs</u></b>		
Gross Wages	346,859	329,447
Employer's National Insurance	16,074	12,625
Employer's Pension costs	<u>6,065</u>	<u>5,388</u>
	368,998	347,460
<b><u>General Costs</u></b>		
Catering	4,811	5,315
Consumables	4,008	4,342
Craft	264	957
Holiday Club expenses	353	751
Repairs and Renewals	1,635	2,874
Training	2,284	1,349
Staff Uniform	460	383
Insurance	3,549	3,342
Subscriptions and Publications	1,385	1,549
Sundries	61	372
Mileage	<u>72</u>	<u>82</u>
	18,882	21,316
<b><u>Administration Costs</u></b>		
Postage and Stationery	1,823	2,020
Telephone	2,534	2,224
Computer Expenses	4,149	3,325
Advertising	<u>80</u>	<u>-</u>
	8,586	7,569
<b><u>Other Costs</u></b>		
Bank Charges	1,606	1,680
Bank Interest	122	12
Other interest paid	255	200
Bad debts	1,777	2,558
Independent examination	2,670	2,140
Depreciation	<u>4,256</u>	<u>4,357</u>
	10,686	10,947
	429,426	409,636
<b>Surplus/(Deficit) for the year</b>	<u><u>(8,625)</u></u>	<u><u>(56,116)</u></u>

**Stepping Stones Childcare (Cornwall)**

**Profit and Loss Account**  
**Year Ended 31st August 2024**

**MOUNT CHARLES**

	<u>2024</u>		<u>2023</u>	
<b><u>INCOME</u></b>				
Pre-School fees	16,685		16,514	
3 & 4 YO Nursery Education Grant funding	77,999		82,381	
2 YO Funding	28,030		54,596	
Additional funding	<u>2,067</u>		<u>3,452</u>	
	124,781		156,943	
Milk Reimbursement	985		1,315	
Other Income	296		240	
Fundraising Income	<u>1,590</u>		<u>1,335</u>	
	<u>127,652</u>		<u>159,833</u>	
<b><u>COST OF SALES</u></b>				
Fundraising Purchases	198		140	
<b><u>Establishment Costs</u></b>				
Business Rates	132		181	
Water Rates	472		681	
Light and Heat	2,717		2,655	
Buildings Insurance	1,466		1,121	
Property Repairs	768		1,663	
Security Costs	517		374	
Storage Costs	<u>540</u>		<u>450</u>	
	6,612		7,125	
<b><u>Labour Costs</u></b>				
Gross wages:				
Pre-School	115,748		116,267	
Employer's National Insurance	5,466		4,367	
Employer's Pension costs	<u>2,065</u>		<u>1,924</u>	
	7,531		6,291	
<b><u>General Costs</u></b>				
Catering	1,819		2,147	
Consumables	2,008		2,351	
Craft	88		213	
Repairs and Renewals	474		1,344	
Training	1,123		497	
Staff Uniform	131		139	
Insurance	1,993		1,894	
Subscriptions and Publications	670		696	
Sundries	45		152	
Mileage	<u>25</u>		<u>54</u>	
	8,376		9,487	
<b><u>Administration Costs</u></b>				
Postage and Stationery	884		896	
Telephone	1,277		1,121	
Computer Expenses	2,125		1,664	
Advertising	<u>15</u>		<u>        </u>	
	4,301		3,681	
<b><u>Other Costs</u></b>				
Bank Charges	803		840	
Bank Interest	61		6	
Other interest paid	128		100	
Bad Debts	533		1,102	
Independent Examination	1,375		1,070	
Depreciation	<u>874</u>		<u>1,156</u>	
	<u>3,774</u>		<u>4,274</u>	
	146,540		147,265	
<b>Surplus/(Deficit) for the year</b>	<u><u>(18,888)</u></u>		<u><u>12,568</u></u>	

**Stepping Stones Childcare (Cornwall)**

**Profit and Loss Account**  
**Year Ended 31st August 2024**

Scol Kensa

	<u>2024</u>		<u>2023</u>	
<b><u>INCOME</u></b>				
Caterpillar Under 2 fees	28,353		328	
Caterpillar room fees	20,620		22,789	
2 YR Funding	70,444		28,001	
Butterfly room fees	9,200		8,223	
3 & 4 YR Nursery Education Grant funding	141,259		112,426	
Additional funding	893		3,603	
Holiday Club fees	<u>17,330</u>		<u>16,689</u>	
	288,099		190,039	
Milk reimbursement	1,911		1,964	
Other Income	1,036		256	
Fundraising Income	<u>2,103</u>		<u>1,428</u>	
	293,149		193,687	
<b><u>COST OF SALES</u></b>				
Fundraising purchases	283		200	
<b><u>EXPENSES</u></b>				
<b><u>Establishment Costs</u></b>				
Business rates	278		262	
Light and Heat	5,226		3,851	
Property Repairs	1,372		2,612	
Buildings Insurance	252		252	
Security Costs	487		896	
Storage Costs	540		450	
Rent	<u>7,026</u>		<u>6,556</u>	
	15,181		14,879	
<b><u>Labour Costs</u></b>				
Gross wages:				
Caterpillar room	111,690		90,514	
Butterfly room	91,556		94,588	
Holiday Club	<u>27,865</u>		<u>28,078</u>	
	231,111		213,180	
Employer's National Insurance	10,608		8,258	
Employer's Pension costs	<u>4,000</u>		<u>3,464</u>	
	14,608		11,722	
<b><u>General Costs</u></b>				
Catering	2,992		3,168	
Consumables	2,000		1,991	
Craft	176		744	
Holiday Club expenses	353		751	
Repairs and Renewals	1,161		1,530	
Training	1,161		852	
Staff Uniform	329		244	
Insurance	1,556		1,448	
Subscriptions and Publications	715		853	
Sundries	16		220	
Mileage	<u>47</u>		<u>28</u>	
	10,506		11,829	
<b><u>Administration Costs</u></b>				
Postage and Stationery	939		1,124	
Telephone	1,257		1,103	
Computer Expenses	2,024		1,661	
Advertising	<u>65</u>		<u>-</u>	
	4,285		3,888	
<b><u>Other Costs</u></b>				
Bank Charges	803		840	
Bank Interest	61		6	
Other interest paid	127		100	
Bad Debts	1,244		1,456	
Independent Examination	1,295		1,070	
Depreciation	<u>3,382</u>		<u>3,201</u>	
	6,912		6,673	
	282,886		262,371	
<b>Surplus/(Deficit) for the year</b>	<u><u>10,263</u></u>		<u><u>(68,684)</u></u>	

## Stepping Stones Childcare (Cornwall)

### Governance and Support Costs Analysis

Year Ended 31st August 2024

#### Governance Costs

	<u>2024</u>	<u>2023</u>
Independent Examination	2,670	2,140
Wages: Business Manager (50% governance)	10,295	9,175
Deputy Manager (50% governance)	-	4,445
Manager (50% governance)	<u>11,872</u>	<u>11,671</u>
	22,167	25,291
<b>Total</b>	<u><u>24,837</u></u>	<u><u>27,431</u></u>

#### Support Costs

Wages: Finance Assistant	27,919	23,782
Administrative Assistants	20,486	18,031
Deputy Manager (50%)	-	4,445
Deputy Manager/SENCo	29,214	26,691
Business Manager (50%)	10,295	9,175
Manager (50%)	<u>11,872</u>	<u>11,671</u>
	<u><u>99,786</u></u>	<u><u>93,795</u></u>

## Stepping Stones Childcare (Cornwall)

### Analysis of Other Income

Year Ended 31st August 2024

<u>Mount Charles</u>	<u>Voluntary Income</u>	<u>Investment Income</u>	<u>Grant income</u>	<u>Total</u>
Donations	2			2
HMRC SMP compensation				0
Bank Interest		145		145
Funding for Reading at Home training attendance	100			100
Photocopying charges	49			49
	<u>151</u>	<u>145</u>	<u>0</u>	<u>296</u>
<u>Scol Kensa</u>				
Donations	7			7
Bank Interest		145		145
Asda Foundation Forest School Grant			400	400
HMRC SMP compensation	185			185
Funding for Reading at Home training attendance	100			100
Photocopying charges	49			49
I Can Charity reward	150			150
	<u>491</u>	<u>145</u>	<u>400</u>	<u>1,036</u>
<u>Total</u>	<u>642</u>	<u>290</u>	<u>400</u>	<u>1,332</u>

**STEPPING STONES CHILDCARE (CORNWALL)**

England & Wales - Charity number 1154205

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# Accounts

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Charity Number 1154205

**STEPPING STONES CHILDCARE (CORNWALL)**

**Annual Report and Unaudited**

**Financial Statements**

**For the year ended 31st August 2023**

# **Stepping Stones Childcare (Cornwall)**

## **Financial Statements for the Year Ended 31st August 2023**

### **Contents**

Page 1	Cover Sheet
Page 2	Contents
Page 3	Reference and Administration Details
Pages 4 - 8	Trustees' Report
Page 9	Independent Examiner's Report
Page 10	Statement of Financial Activities
Page 11	Balance Sheet
Page 12 - 13	Note 1: Accounting Policies
Page 14	Note 1: Accounting Policies (Cont.) Note 2: Voluntary Income
Page 15	Note 3: Other Activities Note 4: Investment Income
Page 16	Note 5: Incoming Resources from Charitable Activities Note 6: Other Income Note 7: Net Income/Expenditure for the Year Note 8: Cost of Raising Funds
Page 17	Note 9: Analysis of Expenditure on Charitable Activities and support cost allocations
Page 18	Note 10: Staff Costs Note 11: Payments to Trustees
Page 19	Note 12: Tangible Fixed Assets
Page 20	Note 13: Debtors: Amounts falling due within one year Note 14: Creditors: Amounts falling due within one year Note 15: Deferred Income
Page 21	Note 16: Movements in Restricted and Unrestricted Funds
Page 22	Note 17: Analysis of Net Assets between Funds Note 18: Related Party Transactions Note 19: Operating Lease Commitments Note 20: Full Analysis

**Stepping Stones Childcare (Cornwall)**  
**Reference and Administration Details of the Charity, Trustees, Senior Management Team and Advisors**

**Trustees**

Gayle Owen, Chair  
Terrie Lee, Assistant Secretary  
Melanie Rickard  
Joanne Crompton  
Teresa Frost, Vice Chair - resigned 05.10.22  
Laura Mitchell, Secretary  
Laura Hare  
Leah Orme-Thompson - appointed 16.11.22  
Emma Rowett - appointed 16.11.22

**Senior Management Team**

Julie Double	Manager
Gill Bate	Business Manager
Debbie Robinson	Deputy Manager (left 17.03.23)
Charlotte Pascoe	SEnCo to 17.03.23, Deputy Manager/SEnCo from 18.03.23

**Charity Number**

1154205

**Principal Office Address**

12-14 Wesley Place  
St Austell  
PL25 4QA

**Independent Examiner**

Phillips Frith LLP  
9 Tregarne Terrace  
St Austell  
PL25 4DD

**Bankers**

National Westminster Bank plc  
1 Church Street  
St Austell  
Cornwall  
PL25 4AW

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

The Trustees present their annual report together with the financial statements and independent examiner's report for the year ended 31st August 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Charity is a Charitable Incorporated Organisation governed by a constitution approved by the Charity Commission following its registration on 15th October 2013. There are no restrictions in the governing document on the operation of the Charity or on its investment powers, other than those imposed by general charity law.

The Charity is governed by a committee of up to 12 trustees of whom at least one must be a parent, carer or family member of a child registered to use its services.

Details of the Trustees who served throughout the year, the charity number and principal office address are included in the Reference and Administration Details on page 3.

#### **Trustees' Indemnities**

In accordance with normal commercial practice, the Charity has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Charity business. The insurance provides cover up to £500,000 on any one claim.

#### **Method of recruitment and appointment or election of Trustees**

When appointing new Trustees, the Board will give consideration to the skills and experience of existing Trustees in order to ensure that the Board has the requisite mix of skills to contribute fully to the Charity's development.

#### **Policies and Procedures adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the settings and a chance to meet staff and children. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction tends to be informal and is tailored specifically to the individual. Trustees are encouraged to attend external training courses to enhance their skills and understanding.

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

### **Organisational Structure**

The Board of Trustees normally meets at least once each half term.

The Trustees are responsible for setting general policy, approving the statutory accounts, monitoring the Charity by the use of budgets and other data, and making strategic decisions about the direction of the Charity, capital expenditure and staff appointments and remuneration.

The Trustees have devolved responsibility for day to day management of the Charity to the Senior Management Team (SMT). The SMT comprises the Manager, Deputy Manager and the Business Manager. The SMT implement the policies laid down by the Trustees and report back to them on performance.

The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

### **OBJECTIVES AND ACTIVITIES**

#### **Objects and Aims**

The principal object and activity of the Charity is to advance pre-school education for the public benefit in Cornwall, in particular by establishing, maintaining, sustaining, managing and developing pre-school and childcare facilities. As such it provides education for children below compulsory school age in two settings in St Austell, Cornwall; Mount Charles and at Scol Kensa, Carclaze.

The aims of the Charity are summarised below:

- To offer appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local areas.
- Instigating and adhering to and furthering the aims and objects of the Early Years Alliance.

The Charity is a community in which children, staff and parents should be part of a happy and caring environment.

#### **Objectives, Strategies and Activities**

During the year ended 31st August 2023, the charity aimed to:

- Support families by providing a safe environment in which children are cared for and educated. Provide learning opportunities and ideas to engage children and to support families at home.
- Increase awareness of the charity and potential occupancy by maintaining an online presence, in particular by using social media as a marketing and advertising tool.
- Explore ideas to increase occupancy levels paying particular attention to families in need.
- Continue to implement budgetary controls to minimise the impact of increasing staffing costs.
- Resume pre-covid level relationships with local primary school to enable the children's transition process to school to be as smooth as possible.
- Maintain and develop good professional relationships with outside agencies, professional bodies and to be involved with childcare improvement campaigns on a local level.
- Maintain and develop a good level of expertise amongst staff and encourage continuous professional development.

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

### **Public Benefit**

The Trustees confirm that they have complied with the duty of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Charity's aims and objectives and in planning its future activities.

The Charity aims to advance for the public benefit, pre-school education in St Austell and the surrounding area. In particular, but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing pre-schools offering affordable childcare services.

### **Achievements and Performance**

This year has proved to be challenging. An overspend on staffing due to wage increases and low levels of booked attendance have resulted in a poor year financially. Although it was planned to use some reserves to fund the wage increases in advance of the expected funding rate rise, it was unfortunately also necessary to use reserves to cover day to day expenses meaning a large proportion of the charity's reserves have been depleted.

Government funding continued to be paid by our local authority. The total received was just under £20,000 lower than the previous year but this represents only a 6.5% reduction and is due to a lower uptake of funded places during the year. The income received from fees charged would also have been lower but was mitigated by a rate increase in April 2023. The funding received to support children with additional needs has increased this year because our newly trained SENCo was able to successfully apply for more additional funding due to her higher level of knowledge.

Recruitment of qualified staff continues to be challenging. Research suggests that there are fewer qualified staff in the industry and those remaining are reluctant to move to a new establishments. Alongside supporting several members of staff to study towards Level 3 qualifications, the Trustees agreed to increase wages ahead of and in excess of the minimum wage increases in April 2023. This achieved its aim and new qualified members of staff were recruited.

Full Ofsted inspections were carried out at both settings in this financial year. Mount Charles was inspected in October 2022 and was rated "Requires Improvement" due to an issue with the key person system and the missed learning opportunities resulting from this. A re-inspection will take place within a year. Scol Kensa was inspected in April 2023 and rated "Good". Recommendations for improvements at both settings have been noted and acted upon accordingly.

Continuing professional development for staff is encouraged. All childcare staff hold a current paediatric first aid certificate and a food hygiene certificate which need to be renewed every 3 years. They are fully up to date in their knowledge of Early Years Foundation Stage requirements. This is achieved through a combination of practical and online training methods.

The relationships formed with local schools and outside agencies were curtailed during the Covid-19 pandemic. The charity is building these relationships again and arrangements supporting the children's transition to school have been resumed.

During the year, the Charity's fundraising activities raised £2,763 (2022: £3,990). Costs of £340 (2022: £745) were incurred leaving a net profit of £2,423 (2022: £3,245). Our biggest annual fundraising event, Party in the Park took place in May 2023 and generated funds of £1885 with low expenses of £242, an improvement on the previous year which was still feeling the effects of the Covid-19 pandemic. The cost of living crisis has had an impact on fundraising resulting in most of our regular fundraisers such as clothes collections and our annual Christmas party generating lower amounts than in previous years.

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

### **Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The overspend on staffing has been addressed and it is therefore reasonable to adopt the going concern basis in preparing the financial statements.

### **Financial Review**

The majority of the Charity's income is obtained from the Local Authority in the form of Nursery Education Grant Funding for 3 & 4 year olds, 2 year old funding and from fees charged to parents.

During the year ended 31st August 2023, total income of £353,520 (2022: £370,374) is reported against total expenses of £409,636 (2022: £341,083) resulting in overall net expenses of £56,116 (2022: income £29,291). This significant deficit was due to a combination of factors. The trustees chose to use some reserves to increase wages in order to recruit and retain qualified staff in a challenging Early Years job market. In addition to this, approximately £10,000 was used for garden improvements, replacement of aging equipment at both settings and purchasing equipment in order to provide care for children under 2, a new service planned for September 2023. These extraordinary expenses coupled with a reduction in income due to low uptake of places and hours has resulted in a large loss. The Trustees have since acted to reduce staffing costs and increase income.

At 31st August 2023, the net book value of fixed assets was £97,924 and movements in tangible fixed assets are shown in note 12 to the financial statements.

Property improvements at Scol Kensa are being depreciated over the 25 year term of the lease. The lease terms state that the property is to be left as it was found and therefore improvements remain the property of the tenant after the term of the lease, meaning depreciation is appropriate rather than amortisation.

This year, £2,558 (2022: £1,296) of bad debts have been written off. This represents the combined debt of 39 children for whom there is little likelihood of receiving payment. Many of these bad debts relate to invoices for sessions never attended or administrative fees invoiced through the sales system that were voluntary and therefore cannot be pursued. Voluntary charges are made when a child has a fully funded place which has to be offered with the option of no additional cost. We have a comprehensive system to collect genuine outstanding fees and aim to minimise the period in which debt is allowed to increase. In cases where debt is in excess of £100, we aim to pursue this through the small claims court system.

### **Reserves Policy**

The Trustees review the reserve levels of the Charity annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Charity, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees' long term aim is to maintain reserves sufficient for redundancy and notice provision and for large property repairs. This has been calculated to be in excess of £100,000 and the Trustees recognise that it would be unrealistic to set a reserve of this level in the shorter term. It was therefore decided to work towards free reserves of £60,000 by 2022.

At the beginning of this financial year, there were free reserves of £78,632 and a review was planned to increase the previous aim of £60,000 which had been exceeded. However, due to a substantial deficit this financial year, free reserves have reduced to £19,880 by the end of the year. Therefore, it is the Trustees' aim to build reserves back up to the £60,000 level as soon as possible.

# Stepping Stones Childcare (Cornwall)

## TRUSTEES' REPORT

### Investment Policy

Due to the nature and timing of receipt of funding, the Charity may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

### Risk Policy

The Trustees have assessed the major risks to which the Charity is exposed relating to its operations and finances and are satisfied that under the present system in place there is no significant exposure.

### Related Party Transactions

None of the Trustees receive remuneration or other benefit from their work as trustees with the charity (see note 11 for payments made to Trustees). Trustees whose children are registered to attend are charged at the going rate. During the year ended 31st August 2023, no children of Trustees attended and there were no invoices raised during the year. There was a credit of £1.60 on account for one Trustee as at 31st August 2023.

### Trustees' Responsibility Statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on .....<sup>29.5.24</sup> and signed on their behalf by:

  
Gerie Owen  
Chair

# INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF STEPPING STONES CHILDCARE (CORNWALL)

I report to the Trustees on my examination of the financial statements of Stepping Stones Childcare (Cornwall) for the year ended 31 August 2023.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity, the Charity's members as a body and the Charity's Trustees as a body, for my independent examiner's work, for this report, or for the opinions I have formed.

## Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

## Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Amy Sole FCA

Dated: 11/6/2024

Phillips Frith LLP  
9 Tregarne Terrace  
St Austell  
Cornwall, PL25 4DD

## Stepping Stones Childcare (Cornwall)

### Statement of Financial Activities for the Year Ended 31st August 2023

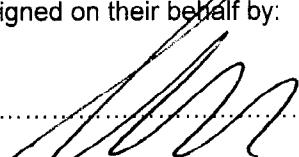
	Notes	2023			2022
		Unrestricted	Restricted	Total	
<b>Income from:</b>					
Donations and grant funding	2	141	-	141	1,989
Other activities	3	2,763	-	2,763	3,990
Investments	4	346	-	346	18
Charitable activities	5	343,206	7,055	350,261	364,187
Other income	6	9	-	9	190
<b>Total income</b>		<b>346,465</b>	<b>7,055</b>	<b>353,520</b>	<b>370,374</b>
<b>Expenditure on:</b>					
Costs of raising funds	8	340	-	340	745
Charitable activities	9	401,448	7,848	409,296	340,338
<b>Total expenditure</b>		<b>401,788</b>	<b>7,848</b>	<b>409,636</b>	<b>341,083</b>
<b>Net (expenditure)/income and net movement in funds</b>		<b>(55,323)</b>	<b>(793)</b>	<b>(56,116)</b>	<b>29,291</b>
Total funds brought forward		165,448	8,471	173,919	144,628
<b>Total funds carried forward</b>	16	<b>110,125</b>	<b>7,678</b>	<b>117,803</b>	<b>173,919</b>

## Stepping Stones Childcare (Cornwall)

### Balance Sheet as at 31st August 2023

		<u>2023</u>	<u>2022</u>
<b>FIXED ASSETS</b>	Notes		
Tangible assets	12	97,924	94,616
<b>CURRENT ASSETS</b>			
Stock		1,060	1,235
Debtors and Prepayments	13	11,742	14,312
Cash at bank and in hand		<u>35,371</u>	<u>97,325</u>
		48,173	112,872
<b>CREDITORS</b>			
Amounts falling due within one year			
Creditors and Accruals	14	<u>28,294</u>	<u>33,569</u>
		28,294	33,569
<b>NET CURRENT ASSETS</b>		19,879	79,303
<b>NET ASSETS</b>		<u><u>117,803</u></u>	<u><u>173,919</u></u>
<b>CHARITY FUNDS</b>	16		
Unrestricted funds		110,125	165,448
Restricted funds		7,678	8,471
<b>TOTAL FUNDS</b>		<u><u>117,803</u></u>	<u><u>173,919</u></u>

These financial statements were approved by the Trustees on .....  
and signed on their behalf by:

.....  
  
Gayle Owen  
Chair

The notes on pages 12 to 22 form part of these financial statements.

## **Stepping Stones Childcare (Cornwall)**

### **Notes to the Financial Statements for the Year Ended 31st August 2023**

#### **Note 1**      **Accounting Policies**

##### **Basis of preparation of financial statements**

The financial statements have been prepared for the individual charity in accordance with the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(as amended for accounting periods commencing from 1 January 2016) - (Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cash flows

Stepping Stones Childcare (Cornwall) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for Charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

##### **Going Concern**

The accounts have been prepared on the assumption that the Charity is able to carry on as a going concern, which the Trustees consider appropriate. The Trustees are not aware of any reason why they should not continue to adopt the going concern basis of accounting (see the Trustees' Report).

##### **Fund accounting**

The funds of the Charity comprise:

- unrestricted funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity, and;
- restricted funds that can only be used for particular purposes within the objects of the charity. The restrictions, which are legally binding, arise when specified by the donor.

##### **Incoming resources**

All incoming resources are recognised once the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income derived from charitable activities are recognised as earned. Investment income is recognised on a receivable basis.

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources. Government grants are recognised when any performance conditions attached to the grants have been met and it is possible that the income will be received.

## **Stepping Stones Childcare (Cornwall)**

### **Notes to the Financial Statements for the Year Ended 31st August 2023**

#### **Note 1**

#### **(continued) Accounting Policies**

##### **Incoming resources continued**

Income from other activities represents voluntary income from fundraising events (principally donations). This is recognised on receipt.

Donated services, or facilities which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

##### **Resources**

Expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs associated with fundraising events
- Expenditure on charitable activities includes the education and childcare undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the Charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in the connection with the compliance with constitutional and statutory requirements of the charity. The allocation of support costs has been detailed in note 9.

##### **Taxation**

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Tangible fixed assets**

Individual fixed assets costing £100 or more are capitalised at cost. Depreciation is provided at the rates calculated to write off the cost less estimated residual value of each asset over its estimated useful economic life, as follows:

<b>Asset Category</b>	<b>Annual rate</b>
Freehold property	not depreciated
Property Improvements - Mount Charles	not depreciated
Property improvements - Scol Kensa	25 years from 2015
Equipment	33.33% reducing balance

## **Stepping Stones Childcare (Cornwall)**

### **Notes to the Financial Statements for the Year Ended 31st August 2023**

#### **Note 1**

##### **(continued) Accounting Policies**

###### **Impairment of fixed assets**

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

###### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held at call with banks.

###### **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities (SOFA).

###### **Pension costs**

The Charity offers a workplace pension scheme to its employees and makes contributions as detailed in note 10. The Charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions. The costs are expensed in the SOFA and allocated to charitable activities, support and governance costs and charged to the unrestricted funds of the Charity. Any difference between the share to the SOFA and the contributions payable to the scheme is shown as an asset or liability in the Balance Sheet.

###### **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

#### **Note 2**

##### **Voluntary Income**

	<u>2023</u>	<u>2022</u>
Donations	141	267
Grant Funding	-	1,722
<b>Total</b>	<b><u>141</u></b>	<b><u>1,989</u></b>

Total voluntary income was £141 (2022: £1,989) of which none was restricted (2022:£1,722)

The trustees are grateful to everyone who has made donations throughout the year.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2023

**Note 3**      **Other activities**

<u>Description</u>	<u>Mount Charles</u>	<u>Scol Kensa</u>	<u>Total</u>
Name label commission	4	3	7
Loss on Sale of Children's Uniform	(32)	(32)	(64)
Party in the Park income	942	943	1,885
Sale of leavers stones	37	-	37
Christmas party tickets	91	71	162
Christmas party stalls	46	45	91
Bags2School clothes collection	140	141	281
Commission on clothing sales	8	9	17
Easyfundraising and Amazon Smile	44	43	87
Halloween party	-	144	144
Guess the name of the bear game	-	7	7
Reindeer food sales	4	4	8
Photocopying charges	6	5	11
Sale of old gazebos	25	25	50
Sale of surplus toys	15	15	30
Sale of surplus tuck shop	5	5	10
<b>Total 2023</b>	<b><u>1,335</u></b>	<b><u>1,428</u></b>	<b><u>2,763</u></b>
<b>Total 2022</b>	<b><u>1,947</u></b>	<b><u>2,043</u></b>	<b><u>3,990</u></b>

All fundraising income in both the current and previous year relate to unrestricted funds.

**Note 4**      **Investment Income**

	<u>2023</u>	<u>2022</u>
Bank Interest receivable	346	18
<b>Total</b>	<b><u>346</u></b>	<b><u>18</u></b>

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2023

**Note 5**      **Incoming Resources from Charitable Activities**

	Unrestricted Funds	Restricted Funds	Total	2022
Childcare fees charged	64,523	-	64,523	63,031
3 & 4 YO Grant funding	194,807	-	194,807	245,760
2 YO Grant funding	80,597	-	80,597	48,671
Additional Grant funding	-	7,055	7,055	3,415
Milk Reimbursement	3,279	-	3,279	3,310
<b>Total</b>	<b>343,206</b>	<b>7,055</b>	<b>350,261</b>	<b>364,187</b>

Total income from charitable activities was £350,261 (2022:£364,187) of which £7,055 was restricted (2022:£3,415). The government grants receivable have been analysed by reference to the year group that the funding related. Total government grants received was £282,459 (2022: £297,846).

**Note 6**      **Other Income**

	2023	2022
SMP compensation	9	170
Sale of old cabinets	-	20
<b>Total</b>	<b>9</b>	<b>190</b>

**Note 7**      **Net Income/(Expenditure) for the year**

	2023	2022
This is stated after charging:		
Depreciation	4,357	2,002
Operating lease payments	6,556	6,258
Bank interest payable	12	-
Other interest payable	200	181

**Note 8**      **Cost of raising funds**

<u>Description</u>	Mount Charles	Scol Kensa	Total
Party in the Park expenses	121	121	242
Halloween party expenses	-	60	60
Small lottery licence	10	10	20
Purchase of bear	-	9	9
Purchase of baubles	9	-	9
<b>Total 2023</b>	<b>140</b>	<b>200</b>	<b>340</b>
<b>Total 2022</b>	<b>373</b>	<b>372</b>	<b>745</b>

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2023

**Note 9**      **Analysis of Expenditure on Charitable Activities**

	<b>Delivery Costs</b>	<b>Support Costs</b>	<b>Governance Costs</b>	<b>Total</b>	<b>2022</b>
Establishment Costs	22,004	-	-	22,004	19,876
Labour Costs	228,374	93,795	25,291	347,460	287,304
General Costs	19,384	1,932	-	21,316	18,797
Administration Costs	-	7,569	-	7,569	6,470
Other Costs	-	8,807	2,140	10,947	7,891
<b>Total</b>	<b>269,762</b>	<b>112,103</b>	<b>27,431</b>	<b>409,296</b>	<b>340,338</b>
<b>Total 2022</b>	<b>225,700</b>	<b>92,144</b>	<b>22,494</b>	<b>340,338</b>	

Total expenditure on charitable activities was £409,296 (2022: £340,338) of which £8,014 (2022: £5,949) was restricted.

**Support costs allocation**

Cost allocation includes an element of judgement and the Charity has had to consider the cost/benefit of detailed calculations and record keeping. The basis for support costs allocation of wages is the estimated percentage of time spent on each activity. Governance costs are made up of the following:

	<b>2023</b>	<b>2022</b>
Proportion of managers' salaries	25,291	19,704
Independent examiners fees	2,140	2,790
	<b>27,431</b>	<b>22,494</b>

Governance costs have been allocated on a consistent basis to previous years but were lower than usual in 2022 due to long term absence. In 2023, this was resolved and there was some restructuring of the management team which is reflected in the figures.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2023

**Note 10**      **Staff Costs**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total</b>	<b>2022</b>
Wages and Salaries	322,392	7,055	329,447	274,461
Social security costs	12,625	-	12,625	8,575
Employers Pension Costs	5,388	-	5,388	4,268
	<b>340,405</b>	<b>7,055</b>	<b>347,460</b>	<b>287,304</b>

Pension costs are allocated to the activities in proportion to the related staffing costs incurred.

Monthly average number of employees in the year were as follows

	<b>2023</b>	<b>2022</b>
Charitable Activities	28	22
Administrators	5	6
	<b>33</b>	<b>28</b>

No employee earned more than £60,000 per annum. The Charity considered its key management personnel in the year to comprise of the trustees and the Senior Management Team.

The total employment benefits including pension contributions of the key management personnel were £77,273 (2022: £61,380)

**Note 11**      **Payments to Trustees**

One Trustee (Joanne Crompton) was paid remuneration of £14,120 (2022: £13,203) for the services provided in her employment with the Charity (play assistant). These payments have been made under authority of a provision in the constitution of the Charity. The Trustees have not been reimbursed for expenses during the year.

## **Stepping Stones Childcare (Cornwall)**

### **Notes to the Financial Statements for the Year Ended 31st August 2023**

**Note 12**      **Tangible Fixed Assets**

<u>Cost</u>	<u>b/f</u>	<u>Additions</u>	<u>c/f</u>
Freehold property	25,410	-	25,410
Property improvements Mount Charles	44,164	-	44,164
Property improvements Scol Kensa	34,111	-	34,111
Equipment Mount Charles	12,573	3,112	15,685
Equipment Scol Kensa	9,975	4,553	14,528
	<b><u>126,233</u></b>	<b><u>7,665</u></b>	<b><u>133,898</u></b>
		<b><u>Charge for</u></b>	
	<b><u>b/f</u></b>	<b><u>the year</u></b>	<b><u>c/f</u></b>
Property Improvements Scol Kensa	10,268	1,402	11,670
Equipment Mount Charles	12,217	1,156	13,373
Equipment Scol Kensa	9,132	1,799	10,931
	<b><u>31,617</u></b>	<b><u>4,357</u></b>	<b><u>35,974</u></b>
	<b><u>WDV</u></b>		
	<b><u>b/f</u></b>		<b><u>c/f</u></b>
Freehold property	25,410		25,410
Property improvements Mount Charles	44,164		44,164
Property improvements Scol Kensa	23,843		22,441
Equipment Mount Charles	356		2,312
Equipment Scol Kensa	843		3,597
	<b><u>94,616</u></b>		<b><u>97,924</u></b>

All tangible fixed assets are used principally towards the furtherance of the Charity's direct charitable work

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2023

**Note 13**      **Debtors: Amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
Outstanding Fees		
Mount Charles	2,110	1,484
Scol Kensa Caterpillars	1,023	1,405
Scol Kensa Butterflies	879	1,945
Scol Kensa Holiday Club	1,713	2,473
	5,725	7,307
Overpayments to suppliers	1,716	2,583
Prepayments	4,210	4,103
Other debtors	91	319
<b>Total</b>	<b>11,742</b>	<b>14,312</b>

**Note 14**      **Creditors: Amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
Owing to suppliers	4,346	2,937
Accruals	14,357	16,358
Wages Owed		
Week 22	5,642	6,347
PAYE Owed to HMRC	3,271	1,770
Pension Contributions	332	250
Fees received in advance	346	661
Deferred Income	-	5,246
	<b>Note 15</b>	
<b>Total</b>	<b>28,294</b>	<b>33,569</b>

**Note 15**      **Deferred Income**

	<b>2023</b>	<b>2022</b>
Funding received in advance	-	5,246
	-	<b>5,246</b>

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2023

#### Note 16      Movements in Restricted and Unrestricted Funds

	<u>Balance b/f</u>	<u>Incoming resources</u>	<u>Outgoing resources</u>	<u>Transfers</u>	<u>Balance c/f</u>
<u>Restricted funds</u>					
Cornwall Council SENIF/DAF	-	7055	7055	-	-
The Big Lottery	7,390	-	435	-	6,955
CCF Manor Farm	160	-	52	-	108
Tesco	671	-	222	-	449
St Austell Town Council	250	-	84	-	166
	<u>8,471</u>	<u>7,055</u>	<u>7,848</u>	<u>-</u>	<u>7,678</u>
<u>Unrestricted funds</u>	165,448	346,465	401,788	-	110,125
	<u><b>173,919</b></u>	<u><b>353,520</b></u>	<u><b>409,636</b></u>	<u><b>-</b></u>	<u><b>117,803</b></u>
	<u>Balance b/f</u>	<u>Incoming resources</u>	<u>Outgoing resources</u>	<u>Transfers</u>	<u>Balance c/f</u>
<u>Prior year</u>					
<u>Restricted funds</u>					
Cornwall Council SENIF/DAF	-	3,415	3,415	-	-
The Big Lottery	7,825	-	435	-	7,390
CCF Manor Farm	239	-	79	-	160
Coronavirus Wages Support	-	72	72	-	-
Tesco	871	-	200	-	671
St Austell Town Council	-	250	-	-	250
Cornwall Council training grant	-	1,400	1,400	-	-
	<u>8,935</u>	<u>5,137</u>	<u>5,601</u>	<u>-</u>	<u>8,471</u>
<u>Unrestricted funds</u>	135,693	365,237	335,482	-	165,448
	<u><b>144,628</b></u>	<u><b>370,374</b></u>	<u><b>341,083</b></u>	<u><b>-</b></u>	<u><b>173,919</b></u>

#### Restricted fund details

Cornwall Council provides additional funding through the Disability Access Fund (DAF) and the SEN Inclusion Fund (SENIF) for children who need additional support. Five children were supported in 2023.

The Big Lottery provided a grant in 2017 towards the cost of air conditioning for Scol Kensa. The depreciation charged for the year is treated as outgoing restricted funds.

CCF Manor Farm provided a grant in 2017 to purchase bikes for both settings. The depreciation charged for the year is treated as outgoing restricted funds.

Tesco provided a grant for outdoor equipment at Scol Kensa in 2022. The balance of this grant funding unspent at the end of the previous year was used during this financial year to purchase wooden blocks and a wooden sand and water tray. The depreciation charged for the year is treated as outgoing restricted funds.

St Austell Town Council provided a grant of £250 towards the replacement cost of white goods at the Mount Charles premises in the previous year. A new fridge was purchased in September 2022.

## **Stepping Stones Childcare (Cornwall)**

### **Notes to the Financial Statements for the Year Ended 31st August 2023**

#### **Note 17 Analysis of Net Assets between Funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2023</b>
Tangible Fixed Assets	90,246	7,678	97,924
Current Assets	48,173	-	48,173
Creditors	(28,294)	-	(28,294)
	<b>110,125</b>	<b>7,678</b>	<b>117,803</b>

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2022</b>
<b>Prior year</b>			
Tangible Fixed Assets	86,816	7,800	94,616
Current Assets	112,201	671	112,872
Creditors	(33,569)	-	(33,569)
	<b>165,448</b>	<b>8,471</b>	<b>173,919</b>

#### **Note 18 Related Party Transactions**

During the year no Trustees used childcare services. There was a credit of £1.60 on account for one Trustee as at 31st August 2023 in relation to an overpayment in the previous year.

#### **Note 19 Operating Lease Commitments**

At 31st August 2023, the Charity had total commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2023</b>	<b>2022</b>
Within one year	6,556	6,556
Between two and five years	26,224	26,224
After five years	78,672	85,228
	<b>111,452</b>	<b>118,008</b>

#### **Note 20 Full Analysis**

A full analysis of incoming and outgoing resources can be found in the appendix attached.

# STEPPING STONES CHILDCARE (CORNWALL)

## Appendix

For the Year Ended 31st August 2023

# **Stepping Stones Childcare (Cornwall)**

**Year Ended 31st August 2023**

## **Appendix Contents**

Page 1	Cover Sheet
Page 2	Contents
Page 3	Total Profit and Loss Account
Page 4	Mount Charles Profit and Loss Account
Page 5	Scol Kensa Profit and Loss Account
Page 6	Governance Costs Analysis Support Costs Analysis
Page 7	Other Income Analysis

## Stepping Stones Childcare (Cornwall)

### Profit and Loss Account Year Ended 31st August 2023

	<u>2023</u>	<u>2022</u>
<b><u>INCOME</u></b>		
Fees charged	64,523	63,031
3 & 4 YO Nursery Education Grant funding	194,807	245,760
2 YO Funding	80,597	48,671
Additional funding	<u>7,055</u>	<u>3,415</u>
	346,982	360,877
Milk Reimbursement	3,279	3,310
Other Income	496	2,197
Fundraising Income	<u>2,763</u>	<u>3,990</u>
	353,520	370,374
<b><u>COST OF SALES</u></b>		
Fundraising Purchases	340	745
<b><u>EXPENSES</u></b>		
Business Rates	443	1,028
Water Rates	681	627
Light and Heat	6,506	5,900
Buildings Insurance	1,373	1,373
Property Repairs	4,275	2,637
Rent	6,556	6,258
Security Costs	1,270	823
Storage Costs	<u>900</u>	<u>1,230</u>
	22,004	19,876
<b><u>Labour Costs</u></b>		
Gross Wages	329,447	274,461
Employer's National Insurance	12,625	8,575
Employer's Pension costs	<u>5,388</u>	<u>4,268</u>
	347,460	287,304
<b><u>General Costs</u></b>		
Catering	5,315	4,658
Consumables	4,342	3,911
Craft	957	695
Holiday Club expenses	751	1,113
Repairs and Renewals	2,874	2,006
Training	1,349	1,027
Staff Uniform	383	560
Insurance	3,342	3,256
Subscriptions and Publications	1,549	1,212
Sundries	372	257
Mileage	<u>82</u>	<u>102</u>
	21,316	18,797
<b><u>Administration Costs</u></b>		
Postage and Stationery	2,020	1,716
Telephone	2,224	2,152
Computer Expenses	<u>3,325</u>	<u>2,602</u>
	7,569	6,470
<b><u>Other Costs</u></b>		
Bank Charges	1,680	1,622
Bank Interest	12	-
Other interest paid	200	181
Bad debts	2,558	1,296
Independent examination	2,140	2,790
Depreciation	<u>4,357</u>	<u>2,002</u>
	10,947	7,891
	409,636	341,083
<b>Surplus/(Deficit) for the year</b>	<u><u>(56,116)</u></u>	<u><u>29,291</u></u>

## Stepping Stones Childcare (Cornwall)

### Profit and Loss Account Year Ended 31st August 2023

#### MOUNT CHARLES

	<u>2023</u>		<u>2022</u>
<b><u>INCOME</u></b>			
Pre-School fees	16,514		12,044
3 & 4 YO Nursery Education Grant funding	82,381		111,990
2 YO Funding	54,596		20,122
Additional funding	<u>3,452</u>		<u>668</u>
	156,943		144,824
Milk Reimbursement	1,315		1,447
Other Income	240		1,372
Fundraising Income	<u>1,335</u>		<u>1,947</u>
	159,833		149,590
<b><u>COST OF SALES</u></b>			
Fundraising Purchases	140		373
<b><u>Establishment Costs</u></b>			
Business Rates	181		132
Water Rates	681		627
Light and Heat	2,655		1,943
Buildings Insurance	1,121		1,121
Property Repairs	1,663		1,880
Security Costs	374		295
Storage Costs	<u>450</u>		<u>615</u>
	7,125		6,613
<b><u>Labour Costs</u></b>			
Gross wages:			
Pre-School	116,267		92,682
Employer's National Insurance	4,367		2,942
Employer's Pension costs	<u>1,924</u>		<u>1,498</u>
	6,291		4,440
<b><u>General Costs</u></b>			
Catering	2,147		2,116
Consumables	2,351		1,879
Craft	213		398
Repairs and Renewals	1,344		491
Training	497		449
Staff Uniform	139		215
Insurance	1,894		1,845
Subscriptions and Publications	696		618
Sundries	152		111
Mileage	<u>54</u>		<u>51</u>
	9,487		8,173
<b><u>Administration Costs</u></b>			
Postage and Stationery	896		753
Telephone	1,121		1,104
Computer Expenses	<u>1,664</u>		<u>1,301</u>
	3,681		3,158
<b><u>Other Costs</u></b>			
Bank Charges	840		811
Bank Interest	6		-
Other interest paid	100		91
Bad Debts	1,102		706
Independent Examination	1,070		1,395
Depreciation	<u>1,156</u>		<u>178</u>
	4,274		3,181
	147,265		118,620
<b>Surplus/(Deficit) for the year</b>	<u><u>12,568</u></u>		<u><u>30,970</u></u>

## Stepping Stones Childcare (Cornwall)

### Profit and Loss Account Year Ended 31st August 2023

#### Scol Kensa

	<u>2023</u>	<u>2022</u>
<b><u>INCOME</u></b>		
Caterpillar Under 2 fees	328	-
Caterpillar room fees	22,769	23,676
2 YR Funding	26,001	28,549
Butterfly room fees	8,223	13,665
3 & 4 YR Nursery Education Grant funding	112,426	133,770
Additional funding	3,603	2,747
Holiday Club fees	<u>16,689</u>	<u>13,646</u>
	190,039	216,053
Milk reimbursement	1,964	1,863
Other Income	256	825
Fundraising Income	<u>1,428</u>	<u>2,043</u>
	193,667	220,784
<b><u>COST OF SALES</u></b>		
	200	372
<b><u>EXPENSES</u></b>		
<b><u>Establishment Costs</u></b>		
Business rates	262	896
Light and Heat	3,851	3,957
Property Repairs	2,612	757
Buildings Insurance	252	252
Security Costs	896	528
Storage Costs	450	615
Rent	<u>6,556</u>	<u>6,258</u>
	14,879	13,263
<b><u>Labour Costs</u></b>		
Gross wages:		
Caterpillar room	90,514	85,832
Butterfly room	94,588	80,329
Holiday Club	<u>28,078</u>	<u>15,618</u>
	213,180	181,779
Employer's National Insurance	8,258	5,633
Employer's Pension costs	<u>3,464</u>	<u>2,770</u>
	11,722	8,403
<b><u>General Costs</u></b>		
Catering	3,168	2,542
Consumables	1,991	2,032
Craft	744	297
Holiday Club expenses	751	1,113
Repairs and Renewals	1,530	1,515
Training	852	578
Staff Uniform	244	345
Insurance	1,448	1,411
Subscriptions and Publications	853	594
Sundries	220	146
Mileage	<u>28</u>	<u>51</u>
	11,829	10,624
<b><u>Administration Costs</u></b>		
Postage and Stationery	1,124	963
Telephone	1,103	1,048
Computer Expenses	<u>1,661</u>	<u>1,301</u>
	3,888	3,312
<b><u>Other Costs</u></b>		
Bank Charges	840	811
Bank Interest	6	-
Other interest paid	100	90
Bad Debts	1,456	590
Independent Examination	1,070	1,395
Depreciation	<u>3,201</u>	<u>1,824</u>
	6,673	4,710
	262,371	222,463
<b>Surplus/(Deficit) for the year</b>	<u><u>(68,684)</u></u>	<u><u>(1,679)</u></u>

## Stepping Stones Childcare (Cornwall)

### Governance and Support Costs Analysis

Year Ended 31st August 2023

#### Governance Costs

	<u>2023</u>	<u>2022</u>
Independent Examination	2,140	2,790
Wages: Business Manager (50% governance)	9,175	7,443
Deputy Manager (50% governance)	4,445	9,524
Manager (50% governance)	<u>11,671</u>	<u>2,737</u>
	25,291	19,704
<b>Total</b>	<u><u>27,431</u></u>	<u><u>22,494</u></u>

#### Support Costs

Wages: Administrator	-	7,111
Finance Assistant	23,782	20,944
Administrative Assistants	18,031	9,070
Acting Manager (50%)	-	9,524
Acting Deputy Manager	-	21,972
Deputy Manager 50%)	4,445	-
Deputy Manager/SENCo	26,691	-
Business Manager (50%)	9,175	7,443
Manager (50%)	<u>11,671</u>	<u>2,737</u>
	<u><u>93,795</u></u>	<u><u>78,801</u></u>

## Stepping Stones Childcare (Cornwall)

### Analysis of Other Income

Year Ended 31st August 2023

<u>Mount Charles</u>	Voluntary Income	Investment Income	Grant income	Total
Donations	58			58
HMRC SMP compensation	9			9
Bank Interest		173		173
	<b>67</b>	<b>173</b>	<b>0</b>	<b>240</b>
<u>Scol Kensa</u>				
Donations	83			83
Bank Interest		173		173
	<b>83</b>	<b>173</b>	<b>0</b>	<b>256</b>
<b>Total</b>	<b>150</b>	<b>346</b>	<b>0</b>	<b>496</b>

**STEPPING STONES CHILDCARE (CORNWALL)**

England & Wales - Charity number 1154205

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# Accounts

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Charity Number 1154205

STEPPING STONES CHILDCARE (CORNWALL)

Annual Report and Unaudited

Financial Statements

For the year ended 31st August 2022

# **Stepping Stones Childcare (Cornwall)**

## **Financial Statements for the Year Ended 31st August 2022**

### **Contents**

Page 1	Cover Sheet
Page 2	Contents
Page 3	Reference and Administration Details
Pages 4 - 8	Trustees' Report
Page 9	Independent Examiner's Report
Page 10	Statement of Financial Activities
Page 11	Balance Sheet
Page 12 - 13	Note 1: Accounting Policies
Page 14	Note 1: Accounting Policies (Cont.) Note 2: Voluntary Income
Page 15	Note 3: Other Activities Note 4: Investment Income
Page 16	Note 5: Incoming Resources from Charitable Activities Note 6: Other Income Note 7: Net Income/Expenditure for the Year Note 8: Cost of Raising Funds
Page 17	Note 9: Analysis of Expenditure on Charitable Activities and support cost allocations
Page 18	Note 10: Staff Costs Note 11: Payments to Trustees
Page 19	Note 12: Tangible Fixed Assets
Page 20	Note 13: Debtors: Amounts falling due within one year Note 14: Creditors: Amounts falling due within one year Note 15: Deferred Income
Page 21	Note 16: Movements in Restricted and Unrestricted Funds
Page 22	Note 17: Analysis of Net Assets between Funds Note 18: Related Party Transactions Note 19: Operating Lease Commitments Note 20: Full Analysis

**Stepping Stones Childcare (Cornwall)**  
**Reference and Administration Details of the Charity, Trustees, Senior**  
**Management Team and Advisors**

**Trustees**

Gayle Owen, Chair  
Terrie Lee, Assistant Secretary  
Melanie Rickard  
Joanne Crompton  
Teresa Frost, Vice Chair  
Laura Mitchell, Secretary  
Laura Hare

**Senior Management Team**

Julie Double	Manager
Gill Bate	Business Manager
Debbie Robinson	Acting Manager
Charlotte Pascoe	Acting Deputy Manager

**Charity Number**

1154205

**Principal Office Address**

12-14 Wesley Place  
St Austell  
PL25 4QA

**Independent Examiner**

Phillips Frith LLP  
9 Tregarne Terrace  
St Austell  
PL25 4DD

**Bankers**

National Westminster Bank plc  
1 Church Street  
St Austell  
Cornwall  
PL25 4AW

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

The Trustees present their annual report together with the financial statements and independent examiner's report for the year ended 31st August 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Charity is a Charitable Incorporated Organisation governed by a constitution approved by the Charity Commission following its registration on 15th October 2013. There are no restrictions in the governing document on the operation of the Charity or on its investment powers, other than those imposed by general charity law.

The Charity is governed by a committee of up to 12 trustees of whom at least one must be a parent, carer or family member of a child registered to use its services.

Details of the Trustees who served throughout the year, the charity number and principal office address are included in the Reference and Administration Details on page 3.

#### **Trustees' Indemnities**

In accordance with normal commercial practice, the Charity has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Charity business. The insurance provides cover up to £500,000 on any one claim.

#### **Method of recruitment and appointment or election of Trustees**

When appointing new Trustees, the Board will give consideration to the skills and experience of existing Trustees in order to ensure that the Board has the requisite mix of skills to contribute fully to the Charity's development.

#### **Policies and Procedures adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the settings and a chance to meet staff and children. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction tends to be informal and is tailored specifically to the individual. Trustees are encouraged to attend external training courses to enhance their skills and understanding.

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

### **Organisational Structure**

The Board of Trustees normally meets at least once each half term.

The Trustees are responsible for setting general policy, approving the statutory accounts, monitoring the Charity by the use of budgets and other data, and making strategic decisions about the direction of the Charity, capital expenditure and staff appointments and remuneration.

The Trustees have devolved responsibility for day to day management of the Charity to the Senior Management Team (SMT). The SMT comprises the Manager, Deputy Manager and the Business Manager. The SMT implement the policies laid down by the Trustees and report back to them on performance.

The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

### **OBJECTIVES AND ACTIVITIES**

#### **Objects and Aims**

The principal object and activity of the Charity is to advance pre-school education for the public benefit in Cornwall, in particular by establishing, maintaining, sustaining, managing and developing pre-school and childcare facilities. As such it provides education for children below compulsory school age in two settings in St Austell, Cornwall; Mount Charles and at Scol Kensa, Carclaze.

The aims of the Charity are summarised below:

- To offer appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local areas.
- Instigating and adhering to and furthering the aims and objects of the Early Years Alliance.

The Charity is a community in which children, staff and parents should be part of a happy and caring environment.

#### **Objectives, Strategies and Activities**

During the year ended 31st August 2022, the charity aimed to:

- Support families through the Covid-19 pandemic by providing a safe environment in which children can still be cared for and educated. Provide online learning opportunities and ideas to engage children and families at home.
- Increase awareness of the charity and potential occupancy by maintaining an online presence, in particular by using social media as a marketing and advertising tool.
- Explore ideas to increase occupancy levels significantly reduced by the Covid-19 pandemic paying particular attention to families in need.
- Continue to implement budgetary controls to minimise the impact of increasing staffing costs.
- Resume pre-covid level relationships with local primary school to enable the children's transition process to school to be as smooth as possible.
- Maintain and develop good professional relationships with outside agencies, professional bodies and to be involved with childcare improvement campaigns on a local level.
- Maintain and develop a good level of expertise amongst staff and encourage continuous professional development.

# Stepping Stones Childcare (Cornwall)

## TRUSTEES' REPORT

### Public Benefit

The Trustees confirm that they have complied with the duty of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Charity's aims and objectives and in planning its future activities.

The Charity aims to advance for the public benefit, pre-school education in St Austell and the surrounding area. In particular, but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing pre-schools offering affordable childcare services.

### Achievements and Performance

The Covid-19 pandemic continued to affect achievements and performance at the start of this financial year although there were improvements towards the end of the year. We maintained our home support of families through social media and direct contact. Staff absences remained higher than usual and were difficult to manage resulting in occasional reductions in available places and closure of rooms. Parents were generally understanding and supportive despite this being an unwelcome situation. We saw a significant increase in demand for places at our holiday club for older children and moved this to our Mount Charles premises for the summer holiday period. We offered regular trips to local attractions which were very popular and well attended.

Government funding continued to be paid by our local authority and was based on actual attendance rather than the estimates which were necessary in the previous year. There was a noticeable increase in funding received across all ages and fee income also increased substantially. We increased our hourly rates twice during this financial year, in January and April, in an attempt to mitigate the rising cost of living together with minimum wage increases which had an impact on staff costs.

Recruitment of qualified staff has become difficult and our adverts generated very little interest. Research suggests that there are fewer qualified staff staying in the industry and those remaining are reluctant to move to a new establishments. This has led to a shortage of staff and it was decided that we would support two new recruits to study towards level 3 qualifications.

Full Ofsted inspections were carried out at both settings in 2017. Mount Charles was inspected in April 2017 and was rated "Good". Scol Kensa was inspected in August 2017 and also rated "Good". Inspection report comments common to both settings include "staff supporting children to make good progress in relation to their starting points", "staff professional development was seen as a priority" and "children are eager to attend". Recommendations for improvements have been noted and acted upon accordingly.

Continuing professional development for staff has been encouraged. All childcare staff hold a current paediatric first aid certificate, a food hygiene certificate and are fully up to date with Early Years Foundation Stage requirements. This is usually achieved through a combination of practical and online training methods but due to Covid-19 changes, most training during this year has taken place online.

We received a grant of £1400 to enable our acting deputy manager to access SENCO Level 3 award training which is now a mandatory requirement for Early Years SENCO leads. The course was completed by July 2022 and is proving to be very beneficial with our continuing high levels of children with additional needs.

During the year, the Charity's fundraising activities raised £3,990 (2021: £1,830). Costs of £745 (2021: £151) were incurred leaving a net profit of £3,245 (2021: £1,679). Our biggest fundraising event, the annual Party in the Park was postponed from May 2021 until September 2021 which means income and expenses for two events are included in this financial year. Their success was still limited due to reduced attendance post Covid-19. Our Christmas party returned this year generating £328 and we had success with selling child made "Scribble Mugs".

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

### **Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Income has increased this year in all areas and it is therefore reasonable to adopt the going concern basis in preparing the financial statements.

### **Financial Review**

The majority of the Charity's income is obtained from the Local Authority in the form of Nursery Education Grant Funding for 3 & 4 year olds, 2 year old funding and from fees charged to parents.

During the year ended 31st August 2022, total income of £370,374 (2021: £313,758) is reported against total expenses of £341,083 (2021: £312,339) resulting in an overall net income of £29,291 (2021: £1,419). This increase is attributable to the higher levels in all categories of income coupled with labour costs being proportionately lower due to the difficulties in recruitment.

At 31st August 2022, the net book value of fixed assets was £94,616 and movements in tangible fixed assets are shown in note 12 to the financial statements.

Property improvements at Scol Kensa are being depreciated over the 25 year term of the lease. The lease terms state that the property is to be left as it was found and therefore improvements remain the property of the tenant after the term of the lease, meaning depreciation is appropriate rather than amortisation.

This year, £1,296 (2021: £587) of bad debts have been written off. This represents the combined debt of 32 children who have now left and for whom there is little likelihood of receiving payment. Many of these bad debts relate to invoices for sessions never attended or administrative fees that were voluntary and therefore cannot be pursued. We have a comprehensive system to collect genuine outstanding fees and aim to minimise the period in which debt is allowed to increase. In cases where debt is in excess of £100, we aim to pursue this through the small claims court system.

### **Reserves Policy**

The Trustees review the reserve levels of the Charity annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Charity, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees' long term aim is to maintain reserves sufficient for redundancy and notice provision and for large property repairs. This has been calculated to be in excess of £100,000 and the Trustees recognise that it would be unrealistic to set a reserve of this level in the shorter term. It was therefore decided to work towards free reserves of £60,000 by 2022.

As at the year end, the charity had unrestricted reserves of £165,698, of which £87,066 is tied up within fixed assets, leaving free reserves of £78,632 an increase of £30,893 on the previous year.

As the target of £60,000 by 2022 has been reached, the Trustees will reassess their long term aims at the next review.

# Stepping Stones Childcare (Cornwall)

## TRUSTEES' REPORT

### Investment Policy

Due to the nature and timing of receipt of funding, the Charity may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

### Risk Policy

The Trustees have assessed the major risks to which the Charity is exposed relating to its operations and finances and are satisfied that under the present system in place there is no significant exposure.

### Related Party Transactions

None of the Trustees receive remuneration or other benefit from their work as trustees with the charity (see note 11 for payments made to Trustees). Trustees whose children are registered to attend are charged at the going rate. During the year ended 31st August 2022, one trustee's child attended and invoices raised during the year totalled £58.00. There was a credit of £1.60 on account as at 31st August 2022.

### Trustees' Responsibility Statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on ..... and signed on their behalf by:

Gayle Owen  
Chair

4 DEC 2023  


# INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF STEPPING STONES CHILDCARE (CORNWALL)

I report to the Trustees on my examination of the financial statements of Stepping Stones Childcare (Cornwall) for the year ended 31 August 2022.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity, the Charity's members as a body and the Charity's Trustees as a body, for my independent examiner's work, for this report, or for the opinions I have formed.

## Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

## Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Amy Sole FCA

Dated: 15-12-23

Phillips Frith LLP  
9 Tregarne Terrace  
St Austell  
Cornwall, PL25 4DD

## Stepping Stones Childcare (Cornwall)

### Statement of Financial Activities for the Year Ended 31st August 2022

	Notes	2022			2021
		Unrestricted	Restricted	Total	
<b>Income from:</b>					
Donations and grant funding	2	267	1,722	1,989	1,240
Other activities	3	3,990	-	3,990	1,830
Investments	4	18	-	18	4
Charitable activities	5	364,187	-	364,187	310,684
Other income	6	190	-	190	-
<b>Total income</b>		<b>368,652</b>	<b>1,722</b>	<b>370,374</b>	<b>313,758</b>
<b>Expenditure on:</b>					
Costs of raising funds	8	745	-	745	151
Charitable activities	9	340,338	-	340,338	312,188
<b>Total expenditure</b>		<b>341,083</b>	<b>-</b>	<b>341,083</b>	<b>312,339</b>
<b>Net (expenditure)/income and net movement in funds</b>		<b>27,569</b>	<b>1,722</b>	<b>29,291</b>	<b>1,419</b>
Total funds brought forward		135,693	8,935	144,628	143,209
<b>Total funds carried forward</b>	16	<b>163,262</b>	<b>10,657</b>	<b>173,919</b>	<b>144,628</b>

## Stepping Stones Childcare (Cornwall)

### Balance Sheet as at 31st August 2022

	Notes	<u>2022</u>	<u>2021</u>
<b>FIXED ASSETS</b>			
Tangible assets	12	94,616	96,018
<b>CURRENT ASSETS</b>			
Stock		1,235	1,324
Debtors and Prepayments	13	14,312	6,957
Cash at bank and in hand		<u>97,325</u>	<u>69,140</u>
		112,872	77,421
<b>CREDITORS</b>			
Amounts falling due within one year			
Creditors and Accruals	14	<u>33,569</u>	<u>28,811</u>
		33,569	28,811
<b>NET CURRENT ASSETS</b>		79,303	48,610
<b>NET ASSETS</b>		<u><u>173,919</u></u>	<u><u>144,628</u></u>
<b>CHARITY FUNDS</b>	16		
Unrestricted funds		165,698	135,693
Restricted funds		8,221	8,935
<b>TOTAL FUNDS</b>		<u><u>173,919</u></u>	<u><u>144,628</u></u>

These financial statements were approved by the Trustees on .....  
and signed on their behalf by:

*14 Dec 2023*



Gayle Owen  
Chair

The notes on pages 12 to 22 form part of these financial statements.

## **Stepping Stones Childcare (Cornwall)**

### **Notes to the Financial Statements for the Year Ended 31st August 2022**

#### **Note 1**

#### **Accounting Policies**

##### **Basis of preparation of financial statements**

The financial statements have been prepared for the individual charity in accordance with the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(as amended for accounting periods commencing from 1 January 2016) - (Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cash flows

Stepping Stones Childcare (Cornwall) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for Charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

##### **Going Concern**

The accounts have been prepared on the assumption that the Charity is able to carry on as a going concern, which the Trustees consider appropriate. The Trustees are not aware of any reason why they should not continue to adopt the going concern basis of accounting (see the Trustees' Report).

##### **Fund accounting**

The funds of the Charity comprise:

- unrestricted funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity, and;
- restricted funds that can only be used for particular purposes within the objects of the charity.

The restrictions, which are legally binding, arise when specified by the donor.

##### **Incoming resources**

All incoming resources are recognised once the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income derived from charitable activities are recognised as earned. Investment income is recognised on a receivable basis.

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources. Government grants are recognised when any performance conditions attached to the grants have been met and it is possible that the income will be received.

## **Stepping Stones Childcare (Cornwall)**

### **Notes to the Financial Statements for the Year Ended 31st August 2022**

#### **Note 1**

#### **(continued) Accounting Policies**

##### **Incoming resources continued**

Income from other activities represents voluntary income from fundraising events (principally donations). This is recognised on receipt.

Donated services, or facilities which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

##### **Resources**

Expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs associated with fundraising events
- Expenditure on charitable activities includes the education and childcare undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the Charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in the connection with the compliance with constitutional and statutory requirements of the charity. The allocation of support costs has been detailed in note 9.

##### **Taxation**

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Tangible fixed assets**

Individual fixed assets costing £100 or more are capitalised at cost. Depreciation is provided at the rates calculated to write off the cost less estimated residual value of each asset over its estimated useful economic life, as follows:

<b>Asset Category</b>	<b>Annual rate</b>
Freehold property	not depreciated
Property Improvements - Mount Charles	not depreciated
Property improvements - Scol Kensa	25 years from 2015
Equipment	33.33% reducing balance

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2022

#### Note 1

#### (continued) Accounting Policies

##### **Impairment of fixed assets**

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

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held at call with banks.

##### **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities (SOFA).

##### **Pension costs**

The Charity offers a workplace pension scheme to its employees and makes contributions as detailed in note 10. The Charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions. The costs are expensed in the SOFA and allocated to charitable activities, support and governance costs and charged to the unrestricted funds of the Charity. Any difference between the share to the SOFA and the contributions payable to the scheme is shown as an asset or liability in the Balance Sheet.

##### **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

#### Note 2

#### Voluntary Income

	<u>2022</u>	<u>2021</u>
Donations	267	220
Grant Funding	1,722	1,020
<b>Total</b>	<b><u>1,989</u></b>	<b><u>1,240</u></b>

Total voluntary income was £1,989 (2021: £1,240) of which £1,722 was restricted (2021:£1,020)

Grant income received specifically due to the Covid-19 pandemic was received as follows:

HMRC Coronavirus SSP grant	242	1,020
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The trustees are grateful to everyone who has made donations and grant funding throughout the year.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2022

**Note 3**      **Other activities**

<u>Description</u>	<u>Mount Charles</u>	<u>Scol Kensa</u>	<u>Total</u>
September Party in the Park income	437	436	873
Name label commission	2	3	5
Profit on Sale of Children's Uniform	39	40	79
May Party in the Park income	756	756	1,512
Valentine keyring	2		2
Sale of leavers stones	35	25	60
Christmas raffle	128	124	252
Christmas party tickets	125	146	271
Christmas party stalls	29	28	57
Sale of bag tags	4	3	7
Bags2School clothes collection	217	218	435
Easyfundraising and Amazon Smile	59	59	118
Scribble mug sales	85	160	245
Halloween cake sale		8	8
Guess the sweets on the jar game		3	3
Christmas jumper day	6		6
Name the elf game		11	11
Sale of surplus tuck shop	23	23	46
<b>Total 2022</b>	<b><u>1,947</u></b>	<b><u>2,043</u></b>	<b><u>3,990</u></b>
<b>Total 2021</b>	<b><u>838</u></b>	<b><u>992</u></b>	<b><u>1,830</u></b>

All fundraising income in both the current and previous year relate to unrestricted funds.

**Note 4**      **Investment Income**

	<u>2022</u>	<u>2021</u>
Bank Interest receivable	18	4
<b>Total</b>	<b><u>18</u></b>	<b><u>4</u></b>

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2022

**Note 5**      **Incoming Resources from Charitable Activities**

	Unrestricted Funds	Restricted Funds	Total	2021
Childcare fees charged	63,031		63,031	46,111
3 & 4 YO Grant funding	245,760		245,760	209,567
2 YO Grant funding	48,671		48,671	41,814
Additional Grant funding		3,415	3,415	10,796
Milk Reimbursement	3,310		3,310	2,396
<b>Total</b>	<b>360,772</b>	<b>3,415</b>	<b>364,187</b>	<b>310,684</b>

Total income from charitable activities was £364,187 (2021:£310,684) of which £3,415 was restricted (2021:£542). The government grants receivable have been analysed by reference to the year group that the funding related. Total government grants received was £297,846 (2021: £262,177).

**Note 6**      **Other Income**

	2022	2021
SMP compensation	170	-
Sale of old cabinets	20	-
<b>Total</b>	<b>190</b>	<b>-</b>

**Note 7**      **Net Income/(Expenditure) for the year**

	2022	2021
This is stated after charging:		
Depreciation	2,002	2,001
Operating lease payments	6,258	6,159
Bank interest payable	-	8
Other interest payable	181	140

**Note 8**      **Cost of raising funds**

	Mount Charles	Scol Kensa	Total
September Party in the Park expenses	142	142	284
May Party in the Park expenses	144	144	288
Collection box seals	3	2	5
Small lottery licence	20	20	40
Purchase of mugs and ceramic pens	64	64	128
<b>Total 2022</b>	<b>373</b>	<b>372</b>	<b>745</b>
<b>Total 2021</b>	<b>74</b>	<b>77</b>	<b>151</b>

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2022

**Note 9**      **Analysis of Expenditure on Charitable Activities**

	<b>Delivery Costs</b>	<b>Support Costs</b>	<b>Governance Costs</b>	<b>Total</b>	<b>2021</b>
Establishment Costs	19,876	-	-	19,876	19,303
Labour Costs	188,799	78,801	19,704	287,304	263,773
General Costs	17,025	1,772	-	18,797	15,724
Administration Costs	-	6,470	-	6,470	6,068
Other Costs	-	5,101	2,790	7,891	7,320
<b>Total</b>	<b>225,700</b>	<b>92,144</b>	<b>22,494</b>	<b>340,338</b>	<b>312,188</b>
<b>Total 2021</b>	<b>223,715</b>	<b>73,791</b>	<b>14,682</b>	<b>312,188</b>	

Total expenditure on charitable activities was £340,338 (2021: £312,188) of which £5,949 (2021: £2,535 ) was restricted.

**Support costs allocation**

Cost allocation includes an element of judgement and the Charity has had to consider the cost/benefit of detailed calculations and record keeping. The basis for support costs allocation of wages is the estimated percentage of time spent on each activity. Governance costs are made up of the following:

	<b>2022</b>	<b>2021</b>
Proportion of managers' salaries	19,704	11,742
Independent examiners fees	2,790	2,940
	<b>22,494</b>	<b>14,682</b>

Governance costs have been allocated on a consistent basis to previous years but are significantly lower in 2021 due to long term absence. This absence was ongoing in 2022 but existing staff provided cover and have been included in the allocation of governance costs.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2022

**Note 10**      **Staff Costs**

	Unrestricted Funds	Restricted Funds	Total	2021
Wages and Salaries	274,461	-	274,461	254,368
Social security costs	8,575	-	8,575	6,228
Employers Pension Costs	4,268	-	4,268	3,177
	<b>287,304</b>	-	<b>287,304</b>	<b>263,773</b>

Pension costs are allocated to the activities in proportion to the related staffing costs incurred.

Monthly average number of employees in the year were as follows

	2022	2021
Charitable Activities	22	22
Administrators	6	6
	<b>28</b>	<b>28</b>

No employee earned more than £60,000 per annum. The Charity considered its key management personnel in the year to comprise of the trustees and the Senior Management Team.

The total employment benefits including pension contributions of the key management personnel were £61,380 (2021: £38,846 )

**Note 11**      **Payments to Trustees**

One Trustee (Joanne Crompton) was paid remuneration of £13,203 (2021: £7,185) for the services provided in her employment with the Charity (play assistant). These payments have been made under authority of a provision in the constitution of the Charity. The Trustees have not been reimbursed for expenses during the year.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2022

#### Note 12      Tangible Fixed Assets

<u>Cost</u>	<u>b/f</u>	<u>Additions</u>	<u>c/f</u>
Freehold property	25,410		25,410
Property improvements Mount Charles	44,164		44,164
Property improvements Scol Kensa	34,111		34,111
Equipment Mount Charles	12,573		12,573
Equipment Scol Kensa	9,375	600	9,975
	<u>125,633</u>	<u>600</u>	<u>126,233</u>
<u>Depreciation</u>	<u>b/f</u>	<u>Charge for the year</u>	<u>c/f</u>
Property Improvements Scol Kensa	8,866	1,402	10,268
Equipment Mount Charles	12,039	178	12,217
Equipment Scol Kensa	8,710	422	9,132
	<u>29,615</u>	<u>2,002</u>	<u>31,617</u>
<u>WDV</u>	<u>b/f</u>		<u>c/f</u>
Freehold property	25,410		25,410
Property improvements Mount Charles	44,164		44,164
Property improvements Scol Kensa	25,245		23,843
Equipment Mount Charles	534		356
Equipment Scol Kensa	665		843
	<u>96,018</u>		<u>94,616</u>

All tangible fixed assets are used principally towards the furtherance of the Charity's direct charitable work

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2022

**Note 13**      **Debtors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
Outstanding Fees		
Mount Charles	1,484	149
Scol Kensa Caterpillars	1,405	956
Scol Kensa Butterflies	1,945	298
Scol Kensa Holiday Club	2,473	1,318
	7,307	2,721
Overpayments to suppliers	2,583	349
Prepayments	4,103	3,783
Other debtors	319	104
<b>Total</b>	<b>14,312</b>	<b>6,957</b>

**Note 14**      **Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
Owing to suppliers	2,937	3,247
Accruals	16,358	17,933
Wages Owed		
Week 22	6,347	4,232
PAYE Owed to HMRC	1,770	2,161
Pension Contributions	250	139
Fees received in advance	661	1,099
Deferred Income	5,246	-
	<b>Note 15</b>	
<b>Total</b>	<b>33,569</b>	<b>28,811</b>

**Note 15**      **Deferred Income**

	<b>2022</b>	<b>2021</b>
Funding received in advance	5,246	-
	<b>5,246</b>	<b>-</b>

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2022

#### Note 16      Movements in Restricted and Unrestricted Funds

	Balance b/f	Incoming resources	Outgoing resources	Transfers	Balance c/f
<u>Restricted funds</u>					
Cornwall Council SENIF/DAF	-	3415	3415	-	-
The Big Lottery	7,825	-	435	-	7,390
CCF Manor Farm	239	-	79	-	160
Coronavirus Wages Support	-	72	72	-	-
Tesco	871	-	200	-	671
St Austell Town Council	-	250	-	-	250
Cornwall Council training grant	-	1,400	1,400	-	-
	8,935	5,137	5,601	-	8,471
<u>Unrestricted funds</u>					
	135,693	365,237	335,482	-	165,448
	<b>144,628</b>	<b>370,374</b>	<b>341,083</b>	-	<b>173,919</b>
<u>Prior year</u>					
<u>Restricted funds</u>					
Access to Learning	-	542	542	-	-
The Big Lottery	8,260	-	435	-	7,825
CCF Manor Farm	357	-	118	-	239
Pirate Trust	125	-	125	-	-
Coronavirus Wages Support	-	1,020	1,020	-	-
Tesco	1,166	-	295	-	871
	9,908	1,562	2,535	-	8,935
<u>Unrestricted funds</u>					
	133,301	312,196	309,804	-	135,693
	<b>143,209</b>	<b>313,758</b>	<b>312,339</b>	-	<b>144,628</b>

#### Restricted fund details

Cornwall Council provides additional funding through the Disability Access Fund (DAF) and the SEN Inclusion Fund (SENIF) for children who need additional support. Three children were supported in 2022.

The Big Lottery provided a grant in 2017 towards the cost of air conditioning for Scol Kensa. The depreciation charged for the year is treated as outgoing restricted funds.

CCF Manor Farm provided a grant in 2017 to purchase bikes for both settings. The depreciation charged for the year is treated as outgoing restricted funds.

Tesco provided a grant for outdoor equipment at Scol Kensa. During the year, £200 of this was spent on small items leaving a balance of £671 to be used. There was no deadline or specific items attached to this funding so it was deemed reasonable to carry forward the balance until such time as equipment was required. The depreciation charged for the year is treated as outgoing restricted funds.

St Austell Town Council provided a grant of £250 towards the replacement cost of white goods at the Mount Charles premises. A new fridge was purchased after the year end in September 2022.

Cornwall Council provided a training grant for to enable a member of staff to access SENCO Level 3 award training. The grant paid for the cost of the training and helped towards the additional wages paid to cover the member of staff while attending the course.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2022

#### Note 17 Analysis of Net Assets between Funds

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 2022</u>
Tangible Fixed Assets	86,666	7,950	94,616
Current Assets	112,201	671	112,872
Creditors	(33,569)	-	(33,569)
	<u>165,298</u>	<u>8,621</u>	<u>173,919</u>

<u>Prior year</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 2021</u>
Tangible Fixed Assets	87,954	8,064	96,018
Current Assets	76,550	871	77,421
Creditors	(28,811)	-	(28,811)
	<u>135,693</u>	<u>8,935</u>	<u>144,628</u>

#### Note 18 Related Party Transactions

During the year one Trustee's child attended and invoices raised during the year totalled £58.00. There was a credit of £1.60 on account as at 31st August 2022

#### Note 19 Operating Lease Commitments

At 31st August 2022, the Charity had total commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<u>2022</u>	<u>2021</u>
Within one year	6,556	6,159
Between two and five years	26,224	24,636
After five years	85,228	83,947
	<u>118,008</u>	<u>114,742</u>

#### Note 20 Full Analysis

A full analysis of incoming and outgoing resources can be found in the appendix attached.

STEPPING STONES CHILDCARE (CORNWALL)

## Appendix

For the Year Ended 31st August 2022

# **Stepping Stones Childcare (Cornwall)**

**Year Ended 31st August 2022**

## **Appendix Contents**

Page 1	Cover Sheet
Page 2	Contents
Page 3	Total Profit and Loss Account
Page 4	Mount Charles Profit and Loss Account
Page 5	Scol Kensa Profit and Loss Account
Page 6	Governance Costs Analysis Support Costs Analysis
Page 7	Other Income Analysis

## Stepping Stones Childcare (Cornwall)

### Profit and Loss Account Year Ended 31st August 2022

	<u>2022</u>	<u>2021</u>
<b><u>INCOME</u></b>		
Fees charged	63,031	46,111
3 & 4 YO Nursery Education Grant funding	245,760	209,567
2 YO Funding	48,671	41,814
Additional funding	3,415	10,796
	360,877	308,288
Milk Reimbursement	3,310	2,396
Other Income	2,197	1,244
Fundraising Income	3,990	1,830
	370,374	313,758
<b><u>COST OF SALES</u></b>		
Fundraising Purchases	745	151
<b><u>EXPENSES</u></b>		
<b><u>Establishment Costs</u></b>		
Business Rates	1,028	12
Water Rates	627	843
Light and Heat	5,900	5,076
Buildings Insurance	1,373	1,373
Property Repairs	2,637	2,631
Rent	6,258	6,159
Security Costs	823	1,619
Storage Costs	1,230	1,590
	19,876	19,303
<b><u>Labour Costs</u></b>		
Gross Wages	274,461	254,368
Employer's National Insurance	8,575	6,228
Employer's Pension costs	4,268	3,177
	287,304	263,773
<b><u>General Costs</u></b>		
Catering	4,658	2,877
Consumables	3,911	4,868
Craft	695	400
Holiday Club expenses	1,113	531
Repairs and Renewals	2,006	1,271
Training	1,027	1,337
Staff Uniform	560	37
Insurance	3,256	3,359
Subscriptions and Publications	1,212	906
Sundries	257	137
Mileage	102	1
	18,797	15,724
<b><u>Administration Costs</u></b>		
Postage and Stationery	1,716	1,882
Telephone	2,152	1,947
Advertising	-	166
Computer Expenses	2,602	2,073
	6,470	6,068
<b><u>Other Costs</u></b>		
Bank Charges	1,622	1,644
Bank Interest	-	8
Other interest paid	181	140
Bad debts	1,296	587
Independent examination	2,790	2,940
Depreciation	2,002	2,001
	7,891	7,320
	341,083	312,339
<b>Surplus/(Deficit) for the year</b>	<b>29,291</b>	<b>1,419</b>

## Stepping Stones Childcare (Cornwall)

### Profit and Loss Account Year Ended 31st August 2022

#### MOUNT CHARLES

	<u>2022</u>		<u>2021</u>
<b><u>INCOME</u></b>			
Pre-School fees	12,044		13,693
3 & 4 YO Nursery Education Grant funding	111,990		72,265
2 YO Funding	20,122		23,216
Additional funding	668		7,827
	<u>144,824</u>		<u>117,001</u>
Milk Reimbursement	1,447		915
Other Income	1,372		728
Fundraising Income	1,947		838
	<u>149,590</u>		<u>119,482</u>
<b><u>COST OF SALES</u></b>			
Fundraising Purchases	373		74
<b><u>EXPENSES</u></b>			
<b><u>Establishment Costs</u></b>			
Business Rates	132		12
Water Rates	627		843
Light and Heat	1,943		1,950
Buildings Insurance	1,121		1,121
Property Repairs	1,880		220
Security Costs	295		247
Storage Costs	615		795
	<u>6,613</u>		<u>5,188</u>
<b><u>Labour Costs</u></b>			
Gross wages:			
Pre-School	92,682		87,868
Employer's National Insurance	2,942		1,866
Employer's Pension costs	1,498		1,045
	<u>4,440</u>		<u>2,911</u>
<b><u>General Costs</u></b>			
Catering	2,116		1,175
Consumables	1,879		2,624
Craft	398		87
Repairs and Renewals	491		303
Training	449		525
Staff Uniform	215		13
Insurance	1,845		1,828
Subscriptions and Publications	618		486
Sundries	111		27
Mileage	51		-
	<u>8,173</u>		<u>7,068</u>
<b><u>Administration Costs</u></b>			
Postage and Stationery	753		820
Telephone	1,104		1,017
Advertising	-		83
Computer Expenses	1,301		651
	<u>3,158</u>		<u>2,571</u>
<b><u>Other Costs</u></b>			
Bank Charges	811		822
Bank Interest	-		4
Other interest paid	91		70
Bad Debts	706		215
Independent Examination	1,395		1,470
Depreciation	178		267
	<u>3,181</u>		<u>2,848</u>
	118,620		108,528
<b>Surplus/(Deficit) for the year</b>	<u><u>30,970</u></u>		<u><u>10,954</u></u>

## Stepping Stones Childcare (Cornwall)

### Profit and Loss Account Year Ended 31st August 2022

#### Scol Kensa

	<u>2022</u>	<u>2021</u>
<b><u>INCOME</u></b>		
Caterpillar room fees	23,676	14,018
2 YR Funding	28,549	18,598
Butterfly room fees	13,665	8,329
3 & 4 YR Nursery Education Grant funding	133,770	137,302
Additional funding	2,747	2,969
Holiday Club fees	<u>13,646</u>	<u>10,071</u>
	216,053	191,287
Milk reimbursement	1,863	1,481
Other Income	825	516
Fundraising Income	<u>2,043</u>	<u>992</u>
	220,784	194,276
<b><u>COST OF SALES</u></b>		
Fundraising Purchases	372	77
<b><u>EXPENSES</u></b>		
<b><u>Establishment Costs</u></b>		
Business rates	896	-
Light and Heat	3,957	3,126
Property Repairs	757	2,411
Buildings Insurance	252	252
Security Costs	528	1,372
Storage Costs	615	795
Rent	<u>6,258</u>	<u>6,159</u>
	13,263	14,115
<b><u>Labour Costs</u></b>		
Gross wages:		
Caterpillar room	85,832	67,280
Butterfly room	80,329	83,380
Holiday Club	<u>15,618</u>	<u>15,840</u>
	181,779	166,500
Employer's National Insurance	5,633	4,362
Employer's Pension costs	<u>2,770</u>	<u>2,132</u>
	8,403	6,494
<b><u>General Costs</u></b>		
Catering	2,542	1,702
Consumables	2,032	2,244
Craft	297	313
Holiday Club expenses	1,113	531
Repairs and Renewals	1,515	968
Training	578	812
Staff Uniform	345	24
Insurance	1,411	1,531
Subscriptions and Publications	594	420
Sundries	146	110
Mileage	<u>51</u>	<u>1</u>
	10,624	8,656
<b><u>Administration Costs</u></b>		
Postage and Stationery	963	1,062
Telephone	1,048	930
Advertising	-	83
Computer Expenses	<u>1,301</u>	<u>1,422</u>
	3,312	3,497
<b><u>Other Costs</u></b>		
Bank Charges	811	822
Bank Interest	-	4
Other interest paid	90	70
Bad Debts	590	372
Independent Examination	1,395	1,470
Depreciation	<u>1,824</u>	<u>1,734</u>
	4,710	4,472
	222,463	203,811
<b>Surplus/(Deficit) for the year</b>	<u>(1,679)</u>	<u>(9,535)</u>

## Stepping Stones Childcare (Cornwall)

### Governance and Support Costs Analysis

Year Ended 31st August 2022

#### Governance Costs

	<u>2022</u>	<u>2021</u>
Independent Examination	2,790	2,940
Wages: Business Manager (50% governance)	7,443	7,516
Acting Manager (50% governance)	9,524	-
Manager (50% governance)	<u>2,737</u>	<u>4,226</u>
	19,704	11,742
<b>Total</b>	<b><u><u>22,494</u></u></b>	<b><u><u>14,682</u></u></b>

#### Support Costs

Wages: Administrator	7,111	12,821
Finance Assistant	20,944	17,802
Administrative Assistants	9,070	4,673
Acting Manager (50%)	9,524	-
Acting Deputy Manager	21,972	-
Deputy Manager/Inclusion Co-ordinator	-	15,362
Business Manager (50%)	7,443	7,516
Manager (50%)	<u>2,737</u>	<u>4,226</u>
	<u><u>78,801</u></u>	<u><u>62,400</u></u>

## Stepping Stones Childcare (Cornwall)

### Analysis of Other Income

Year Ended 31st August 2022

<u>Mount Charles</u>	Voluntary Income	Investment Income	Grant income	Total
Donations	43			43
HMRC Coronavirus SSP rebate				0
Cornwall Council Training Grant			700	700
St Austell Town Council			250	250
Asda green token scheme	200			200
HMRC SMP compensation	170			170
Bank Interest		9		9
	<b>413</b>	<b>9</b>	<b>950</b>	<b>1,372</b>
<u><u> </u></u>				
<u>Scol Kensa</u>				
Donations	24			24
HMRC Coronavirus SSP rebate			72	72
Cornwall Council Training Grant			700	700
Bank Interest		9		9
Sale of cabinets	20			20
	<b>44</b>	<b>9</b>	<b>772</b>	<b>825</b>
<u><u> </u></u>				
<b>Total</b>	<b>457</b>	<b>18</b>	<b>1,722</b>	<b>2,197</b>

**STEPPING STONES CHILDCARE (CORNWALL)**

England & Wales - Charity number 1154205

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# Accounts

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Charity Number 1154205

**STEPPING STONES CHILDCARE (CORNWALL)**

**Annual Report and Unaudited**

**Financial Statements**

**For the year ended 31st August 2021**

# **Stepping Stones Childcare (Cornwall)**

## **Financial Statements for the Year Ended 31st August 2021**

### **Contents**

Page 1	Cover Sheet
Page 2	Contents
Page 3	Reference and Administration Details
Pages 4 - 8	Trustees' Report
Page 9	Independent Examiner's Report
Page 10	Statement of Financial Activities
Page 11	Balance Sheet
Page 12 - 13	Note 1: Accounting Policies
Page 14	Note 1: Accounting Policies (Cont.) Note 2: Voluntary Income
Page 15	Note 3: Other Activities Note 4: Investment Income
Page 16	Note 5: Incoming Resources from Charitable Activities Note 6: Other Income Note 7: Net Income/Expenditure for the Year Note 8: Cost of Raising Funds
Page 17	Note 9: Analysis of Expenditure on Charitable Activities and support cost allocations
Page 18	Note 10: Staff Costs Note 11: Payments to Trustees
Page 19	Note 12: Tangible Fixed Assets
Page 20	Note 13: Debtors: Amounts falling due within one year Note 14: Creditors: Amounts falling due within one year Note 15: Deferred Income
Page 21	Note 16: Movements in Restricted and Unrestricted Funds
Page 22	Note 17: Analysis of Net Assets between Funds Note 18: Related Party Transactions Note 19: Operating Lease Commitments Note 20: Full Analysis

**Stepping Stones Childcare (Cornwall)**  
**Reference and Administration Details of the Charity, Trustees, Senior**  
**Management Team and Advisors**

**Trustees**

Gayle Owen, Chair  
Terrie Lee, Assistant Secretary  
Melanie Rickard  
Joanne Crompton  
Teresa Frost, Vice Chair  
Laura Mitchell, Secretary  
Laura Hare

**Senior Management Team**

Julie Double	Manager
Gill Bate	Business Manager
Debbie Robinson	Deputy Manager

**Charity Number**

1154205

**Principal Office Address**

12-14 Wesley Place  
St Austell  
PL25 4QA

**Independent Examiner**

Phillips Frith LLP  
9 Tregarne Terrace  
St Austell  
PL25 4DD

**Solicitor**

Stephens Scown LLP  
1 High Cross Street  
St Austell  
Cornwall  
PL25 4AB

**Bankers**

National Westminster Bank plc  
1 Church Street  
St Austell  
Cornwall  
PL25 4AW

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

The Trustees present their annual report together with the financial statements and independent examiner's report for the year ended 31st August 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The Charity is a Charitable Incorporated Organisation governed by a constitution approved by the Charity Commission following its registration on 15th October 2013. There are no restrictions in the governing document on the operation of the Charity or on its investment powers, other than those imposed by general charity law.

The Charity is governed by a committee of up to 12 trustees of whom at least one must be a parent, carer or family member of a child registered to use its services.

Details of the Trustees who served throughout the year, the charity number and principal office address are included in the Reference and Administration Details on page 3.

#### **Trustees' indemnities**

In accordance with normal commercial practice, the Charity has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Charity business. The insurance provides cover up to £500,000 on any one claim.

#### **Method of recruitment and appointment or election of Trustees**

When appointing new Trustees, the Board will give consideration to the skills and experience of existing Trustees in order to ensure that the Board has the requisite mix of skills to contribute fully to the Charity's development.

#### **Policies and Procedures adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the settings and a chance to meet staff and children. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction tends to be informal and is tailored specifically to the individual. Trustees are encouraged to attend external training courses to enhance their skills and understanding.

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

### **Organisational Structure**

The Board of Trustees normally meets at least once each half term.

The Trustees are responsible for setting general policy, approving the statutory accounts, monitoring the Charity by the use of budgets and other data, and making strategic decisions about the direction of the Charity, capital expenditure and staff appointments and remuneration.

The Trustees have devolved responsibility for day to day management of the Charity to the Senior Management Team (SMT). The SMT comprises the Manager, Deputy Manager and the Business Manager. The SMT implement the policies laid down by the Trustees and report back to them on performance.

The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

### **OBJECTIVES AND ACTIVITIES**

#### **Objects and Aims**

The principal object and activity of the Charity is to advance pre-school education for the public benefit in Cornwall, in particular by establishing, maintaining, sustaining, managing and developing pre-school and childcare facilities. As such it provides education for children below compulsory school age in two settings in St Austell, Cornwall; Mount Charles and at Scol Kensa, Carclaze.

The aims of the Charity are summarised below:

- To offer appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local areas.
- Instigating and adhering to and furthering the aims and objects of the Early Years Alliance.

The Charity is a community in which children, staff and parents should be part of a happy and caring environment.

#### **Objectives, Strategies and Activities**

During the year ended 31st August 2021, the charity aimed to:

- Support families through the Covid-19 pandemic by providing a safe environment in which children can still be cared for and educated. Provide online learning opportunities and ideas to engage children and families at home.
- Increase awareness of the charity and potential occupancy by maintaining an online presence, in particular by using social media as a marketing and advertising tool.
- Explore ideas to increase occupancy levels significantly reduced by the Covid-19 pandemic paying particular attention to families in need.
- Continue to implement budgetary controls to minimise the impact of increasing staffing costs.
- Continue to maintain good relationships with local primary schools to enable the children's transition process to school to be as smooth as possible.
- Maintain and develop good professional relationships with outside agencies, professional bodies and to be involved with childcare improvement campaigns on a local level.
- Maintain and develop a good level of expertise amongst staff and encourage continuous professional development.

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

### **Public Benefit**

The Trustees confirm that they have complied with the duty of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Charity's aims and objectives and in planning its future activities.

The Charity aims to advance for the public benefit, pre-school education in St Austell and the surrounding area. In particular, but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing pre-schools offering affordable childcare services.

### **Achievements and Performance**

The Covid-19 pandemic has had a significant effect on our achievements and performance this year. Attendance was lower due to statutory guidance on self isolation and because some parents chose to keep children at home. We supported families at home through social media, direct contact and by providing resources. The number of new starters was impacted and fewer children joined in the September intake than usual. Sickness and the statutory guidance to self isolate and shield meant that staff absences were much higher than anticipated and difficult to manage. There were times when it was necessary reduce child attendance levels in order to meet statutory ratio requirements and a few occasions when full closure of rooms was necessary.

Government funding continued to be paid by our local authority and was based on pre-pandemic attendance estimates rather than actual attendance details. This enabled us to retain staff and offer home learning opportunities to support children at home. Fee income was lower than pre-pandemic levels due to reduced numbers of registered children and existing parents were often working more flexibly not requiring the same level of care as previously.

The Charity has struggled to maintain close links with local primary schools to enable smooth transition of children into school. This is because organised school visits and reception class teacher visits to us were cancelled due to Covid-19 restrictions. This made transition harder to manage this year but we continued with our programme of school readiness sessions and feedback from the schools remains good.

Full Ofsted inspections were carried out at both settings in 2017. Mount Charles was inspected in April 2017 and was rated "Good". Scol Kensa was inspected in August 2017 and also rated "Good". Inspection report comments common to both settings include "staff supporting children to make good progress in relation to their starting points", "staff professional development was seen as a priority" and "children are eager to attend". Recommendations for improvements have been noted and acted upon accordingly.

Continuing professional development for staff has been encouraged. All childcare staff hold a current paediatric first aid certificate, a food hygiene certificate and are fully up to date with Early Years Foundation Stage requirements. This is usually achieved through a combination of practical and online training methods but due to Covid-19 restrictions all training during this year has taken place online. Additional training was undertaken by some staff during quieter periods and periods of self isolation which has increased knowledge and skills.

During the year, the Charity's fundraising activities raised £1,830 (2020: £1,559). Costs of £151 (2020: £177) were incurred leaving a net profit of £1,679 (2020: £1,382). This is significantly lower than pre-pandemic levels which is to be expected. Our biggest fundraising event, the annual Party in the Park was postponed until September 2021 which means that there was no income from this source during this financial year. Other fundraising activities were restricted but well supported by families of registered children.

# **Stepping Stones Childcare (Cornwall)**

## **TRUSTEES' REPORT**

### **Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Covid-19 pandemic continues to impact profitability. However, the effects were mitigated by Nursery Education Grant Funding being paid at pre-pandemic levels. It is therefore reasonable to adopt the going concern basis in preparing the financial statements.

### **Financial Review**

The majority of the Charity's income is obtained from the Local Authority in the form of Nursery Education Grant Funding for 3 & 4 year olds, 2 year old funding and from fees charged to parents.

During the year ended 31st August 2021, total income of £313,758 (2020: £326,344) is reported against total expenses of £312,339 (2020: £330,924) resulting in an overall net income of £1,419 (2020: net expenditure £4,580). This decrease in expenditure corresponds to the decrease in income as the management team were able to reduce staffing levels in line with the reduction in attendance.

At 31st August 2021, the net book value of fixed assets was £96,018 and movements in tangible fixed assets are shown in note 12 to the financial statements.

Property improvements at Scol Kensa are being depreciated over the 25 year term of the lease. The lease terms state that the property is to be left as it was found and therefore improvements remain the property of the tenant after the term of the lease, meaning depreciation is appropriate rather than amortisation.

This year, £587 (2020: £1,733) of bad debts have been written off. This represents the combined debt of 15 children who have now left and for whom there is little likelihood of receiving payment. Many of these bad debts relate to invoices for sessions never attended and therefore cannot be pursued. We have a comprehensive system to collect genuine outstanding fees and aim to minimise the period in which debt is allowed to increase. In cases where debt is in excess of £100, we aim to pursue this through the small claims court system.

### **Reserves Policy**

The Trustees review the reserve levels of the Charity annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Charity, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees' long term aim is to maintain reserves sufficient for redundancy and notice provision and for large property repairs. This has been calculated to be in excess of £100,000 and the Trustees recognise that it would be unrealistic to set a reserve of this level in the shorter term. It was therefore decided to work towards free reserves of £60,000 by 2022.

As at the year end, the charity had unrestricted reserves of £135,693, of which £87,954 is tied up within fixed assets, leaving free reserves of £47,739 an increase of £3,840 on the previous year.

# Stepping Stones Childcare (Cornwall)

## TRUSTEES' REPORT

### Investment Policy

Due to the nature and timing of receipt of funding, the Charity may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

### Risk Policy

The Trustees have assessed the major risks to which the Charity is exposed relating to its operations and finances and are satisfied that under the present system in place there is no significant exposure.

### Related Party Transactions

None of the Trustees receive remuneration or other benefit from their work as trustees with the charity (see note 11 for payments made to Trustees). Trustees whose children are registered to attend are charged at the going rate. During the year ended 31st August 2021, one trustee's child attended and invoices raised during the year totalled £71.40. There was a credit of £9.60 on account as at 31st August 2021.

### Trustees' Responsibility Statement

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 8.11.23 and signed on their behalf by:

  
Gayle Owen  
Chair

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF STEPPING STONES CHILDCARE (CORNWALL)

I report to the Trustees on my examination of the financial statements of Stepping Stones Childcare (Cornwall) for the year ended 31 August 2021.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 154 of the Charities Act 2011. My independent examiner's work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity, the Charity's members as a body and the Charity's Trustees as a body, for my independent examiner's work, for this report, or for the opinions I have formed.

### Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

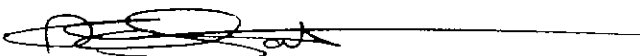
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Amy Sole FCA

Dated: 09/11/2023

Phillips Frith LLP  
9 Tregarne Terrace  
St Austell  
Cornwall, PL25 4DD

## Stepping Stones Childcare (Cornwall)

### Statement of Financial Activities for the Year Ended 31st August 2021

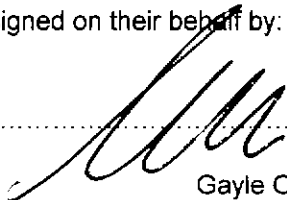
	Notes	2021			2020
		Unrestricted	Restricted	Total	
<b>Income from:</b>					
Donations and grant funding	2	220	1,020	1,240	22,549
Other activities	3	1,830	-	1,830	1,559
Investments	4	4	-	4	43
Charitable activities	5	310,684	-	310,684	302,193
Other income	6	-	-	-	-
<b>Total income</b>		<b>312,738</b>	<b>1,020</b>	<b>313,758</b>	<b>326,344</b>
<b>Expenditure on:</b>					
Costs of raising funds	8	151	-	151	177
Charitable activities	9	312,188	-	312,188	330,747
<b>Total expenditure</b>		<b>312,339</b>	<b>-</b>	<b>312,339</b>	<b>330,924</b>
<b>Net (expenditure)/income and net movement in funds</b>		<b>399</b>	<b>1,020</b>	<b>1,419</b>	<b>(4,580)</b>
Total funds brought forward		133,301	9,908	143,209	147,789
<b>Total funds carried forward</b>	16	<b>133,700</b>	<b>10,928</b>	<b>144,628</b>	<b>143,209</b>

## Stepping Stones Childcare (Cornwall)

### Balance Sheet as at 31st August 2021

	Notes	<u>2021</u>	<u>2020</u>
<b>FIXED ASSETS</b>			
Tangible assets	12	96,018	98,019
<b>CURRENT ASSETS</b>			
Stock		1,324	1,457
Debtors and Prepayments	13	6,957	7,384
Cash at bank and in hand		<u>69,140</u>	<u>102,677</u>
		77,421	111,518
<b>CREDITORS</b>			
Amounts falling due within one year			
Creditors and Accruals	14	<u>28,811</u>	<u>66,328</u>
		28,811	66,328
<b>NET CURRENT ASSETS</b>		48,610	45,190
<b>NET ASSETS</b>		<u><u>144,628</u></u>	<u><u>143,209</u></u>
<b>CHARITY FUNDS</b>	14		
Unrestricted funds		135,693	133,301
Restricted funds		8,935	9,908
<b>TOTAL FUNDS</b>		<u><u>144,628</u></u>	<u><u>143,209</u></u>

These financial statements were approved by the Trustees on ..... 8.11.23 .....  
and signed on their behalf by:



Gayle Owen  
Chair

The notes on pages 12 to 22 form part of these financial statements.

## **Stepping Stones Childcare (Cornwall)**

### **Notes to the Financial Statements for the Year Ended 31st August 2021**

#### **Note 1**

#### **Accounting Policies**

##### **Basis of preparation of financial statements**

The financial statements have been prepared for the individual charity in accordance with the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016) - (Charities SORP (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cash flows

Stepping Stones Childcare (Cornwall) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for Charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

##### **Going Concern**

The accounts have been prepared on the assumption that the Charity is able to carry on as a going concern, which the Trustees consider appropriate. The Trustees are not aware of any reason why they should not continue to adopt the going concern basis of accounting (see the Trustees' Report).

##### **Fund accounting**

The funds of the Charity comprise:

- unrestricted funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity, and;
- restricted funds that can only be used for particular purposes within the objects of the charity. The restrictions, which are legally binding, arise when specified by the donor.

##### **Incoming resources**

All incoming resources are recognised once the Charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Income derived from charitable activities are recognised as earned. Investment income is recognised on a receivable basis.

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources. Government grants are recognised when any performance conditions attached to the grants have been met and it is possible that the income will be received.

## **Stepping Stones Childcare (Cornwall)**

### **Notes to the Financial Statements for the Year Ended 31st August 2021**

#### **Note 1**

#### **(continued) Accounting Policies**

##### **Incoming resources continued**

Income from other activities represents voluntary income from fundraising events (principally donations). This is recognised on receipt.

Donated services, or facilities which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

##### **Resources**

Expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs associated with fundraising events
- Expenditure on charitable activities includes the education and childcare undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the Charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in the connection with the compliance with constitutional and statutory requirements of the charity. The allocation of support costs has been detailed in note

##### **Taxation**

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity

##### **Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

##### **Tangible fixed assets**

Individual fixed assets costing £100 or more are capitalised at cost. Depreciation is provided at the rates calculated to write off the cost less estimated residual value of each asset over its estimated useful economic life, as follows:

<b>Asset Category</b>	<b>Annual rate</b>
Freehold property	not depreciated
Property Improvements - Mount Charles	not depreciated
Property improvements - Scol Kensa	25 years from 2015
Equipment	33.33% reducing balance

## **Stepping Stones Childcare (Cornwall)**

### **Notes to the Financial Statements for the Year Ended 31st August 2021**

#### **Note 1**

##### **(continued) Accounting Policies**

###### **Impairment of fixed assets**

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

###### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held at call with banks.

###### **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial activities (SOFA).

###### **Pension costs**

The Charity offers a workplace pension scheme to its employees and makes contributions as detailed in note 10. The Charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions. The costs are expensed in the SOFA and allocated to charitable activities, support and governance costs and charged to the unrestricted funds of the Charity. Any difference between the share to the SOFA and the contributions payable to the scheme is shown as an asset or liability in the Balance Sheet.

###### **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

#### **Note 2**

##### **Voluntary Income**

	<u>2021</u>	<u>2020</u>
Donations	220	2,735
Grant Funding	1,020	19,814
<b>Total</b>	<b><u>1,240</u></b>	<b><u>22,549</u></b>

Total voluntary income was £1240 (2020: £22549) of which £1020 was restricted (2019:£10,980)

Grant income received specifically due to the Covid-19 pandemic was received as follows:

HMRC Coronavirus SSP grant	1,020
----------------------------	-------

The trustees are grateful to everyone who has made donations and grant funding throughout the year.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2021

#### **Note 3**      **Other activities**

<u>Description</u>	<u>Mount Charles</u>	<u>Scol Kensa</u>	<u>Total</u>
Jewellery sales	19	20	39
Name label commission	17	17	34
Profit on Sale of Children's Uniform	15	15	30
Pirate day and name game	2	38	40
Easter competition	1	2	3
Sale of leavers stones	12	33	45
Christmas raffle and fundraising	350	412	762
Sale of peg people	7	15	22
Sale of bag tags	5	5	10
Bags2School clothes collection	167	166	333
Easyfundraising	47	47	94
Halloween dress up day		16	16
Treasure hunt	30	40	70
Sale of surplus toys/equipment at car boot sales	166	166	332
<b>Total 2021</b>	<b>838</b>	<b>992</b>	<b>1,830</b>
<b>Total 2020</b>	<b>701</b>	<b>858</b>	<b>1,559</b>

All fundraising income in both the current and previous year relate to unrestricted funds.

#### **Note 4**      **Investment Income**

	<u>2021</u>	<u>2020</u>
Bank Interest receivable	4	43
<b>Total</b>	<b>4</b>	<b>43</b>

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2021

**Note 5**      **Incoming Resources from Charitable Activities**

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>	<u>2020</u>
	<u>Funds</u>	<u>Funds</u>		
Childcare fees charged	46,111	-	46,111	35,793
3 & 4 YO Grant funding	209,567	-	209,567	212,918
2 YO Grant funding	41,814	-	41,814	49,467
Additional Grant funding	10,254	542	10,796	1,883
Milk Reimbursement	2,396	-	2,396	2,132
<b>Total</b>	<b>310,142</b>	<b>542</b>	<b>310,684</b>	<b>302,193</b>

Total income from charitable activities was £310,684 (2020:302,193 ) of which £542 was restricted (2020:£1883). The government grants receivable have been analysed by reference to the year group that the funding related. Total government grants received was £262,177 (2020: £264,268).

**Note 6**      **Other Income**

	<u>2021</u>	<u>2020</u>
Reimbursement of costs	-	-
SMP compensation	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 7**      **Net Income/(Expenditure) for the year**

	<u>2021</u>	<u>2020</u>
This is stated after charging:		
Depreciation	2,001	2,301
Operating lease payments	6,159	6,774
Bank interest payable	8	-
Other interest payable	140	140

**Note 8**      **Cost of raising funds**

<u>Description</u>	<u>Mount</u>	<u>Scol</u>	<u>Total</u>
	<u>Charles</u>	<u>Kensa</u>	
Party in the Park expenses	54	54	108
Purchase of peg dolls	8	8	16
Purchase of items for Christmas fundraising	12	15	27
<b>Total 2021</b>	<b>74</b>	<b>77</b>	<b>151</b>
<b>Total 2020</b>	<b>80</b>	<b>97</b>	<b>177</b>

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2021

**Note 9**      **Analysis of Expenditure on Charitable Activities**

	<b>Delivery Costs</b>	<b>Support Costs</b>	<b>Governance Costs</b>	<b>Total</b>	<b>2020 Total</b>
Establishment Costs	19,303	-	-	19,303	16,276
Labour Costs	189,631	62,400	11,742	263,773	284,532
General Costs	14,781	943	-	15,724	15,464
Administration Costs	-	6,068	-	6,068	6,059
Other Costs	-	4,380	2,940	7,320	8,416
<b>Total</b>	<b>223,715</b>	<b>73,791</b>	<b>14,682</b>	<b>312,188</b>	<b>330,747</b>
<b>Total 2020</b>	<b>228,299</b>	<b>79,894</b>	<b>22,554</b>	<b>330,747</b>	

Total expenditure on charitable activities was £312,188 (2020: £330,747) of which £2,535 (2020: £12,468 ) was restricted.

**Support costs allocation**

Cost allocation includes an element of judgement and the Charity has had to consider the cost/benefit of detailed calculations and record keeping. The basis for support costs allocation of wages is the estimated percentage of time spent on each activity. Governance costs are made up of the following:

	<b>2021</b>	<b>2020</b>
Proportion of managers' salaries	11,742	19,914
Independent examiners fees	2,940	2,760
	<b>14,682</b>	<b>22,674</b>

Governance costs have been allocated on a consistent basis to previous years but are significantly lower in 2021 due to long term absence.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2021

**Note 10**      **Staff Costs**

	Unrestricted Funds	Restricted Funds	Total	2020
Wages and Salaries	254,368		254,368	274,503
Social security costs	6,228	-	6,228	6,499
Employers Pension Costs	3,177	-	3,177	3,530
	<b>263,773</b>	-	<b>263,773</b>	<b>284,532</b>

Pension costs are allocated to the activities in proportion to the related staffing costs incurred.

Monthly average number of employees in the year were as follows

	2021	2020
Charitable Activities	22	23
Administrators	6	6
	<b>28</b>	<b>29</b>

No employee earned more than £60,000 per annum. The Charity considered its key management personnel in the year to comprise of the trustees and the Senior Management Team.

The total employment benefits including pension contributions of the key management personnel were £38,846 (2020: £53,578 )

**Note 11**      **Payments to Trustees**

One Trustee (Joanne Crompton) was paid remuneration of £7185 (2020: £7,052) for the services provided in her employment with the Charity (play assistant). These payments have been made under authority of a provision in the constitution of the Charity. The Trustees have not been reimbursed for expenses during the year.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2021

**Note 12**      **Tangible Fixed Assets**

<u>Cost</u>	<u>b/f</u>	<u>Additions</u>	<u>c/f</u>
Freehold property	25,410		25,410
Property improvements Mount Charles	44,164		44,164
Property improvements Scol Kensa	34,111		34,111
Equipment Mount Charles	12,573		12,573
Equipment Scol Kensa	9,375		9,375
	<u>125,633</u>	<u>-</u>	<u>125,633</u>

<u>Depreciation</u>	<u>b/f</u>	<u>Charge for the year</u>	<u>c/f</u>
Property Improvements Scol Kensa	7,464	1,402	8,866
Equipment Mount Charles	11,772	267	12,039
Equipment Scol Kensa	8,378	332	8,710
	<u>27,614</u>	<u>2,001</u>	<u>29,615</u>

<u>WDV</u>	<u>b/f</u>	<u>c/f</u>
Freehold property	25,410	25,410
Property improvements Mount Charles	44,164	44,164
Property improvements Scol Kensa	26,647	25,245
Equipment Mount Charles	801	534
Equipment Scol Kensa	997	665
	<u>98,019</u>	<u>96,018</u>

All tangible fixed assets are used principally towards the furtherance of the Charity's direct charitable work

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2021

**Note 13**      **Debtors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
Outstanding Fees		
Mount Charles	149	106
Scol Kensa Caterpillars	956	103
Scol Kensa Butterflies	298	1,316
Scol Kensa Holiday Club	1,318	281
	2,721	1,806
Overpayments to suppliers	349	1,262
Prepayments	3,783	4,237
Other debtors	104	79
<b>Total</b>	<b>6,967</b>	<b>7,384</b>

**Note 14**      **Creditors: Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
Owing to suppliers	3,247	3,230
Accruals	17,933	14,451
Wages Owed		
Week 23	4,232	4,942
PAYE Owed to HMRC	2,161	2,049
Pension Contributions	139	169
Fees received in advance	1,099	168
Deferred Income	-	41,319
	<b>Note 15</b>	
<b>Total</b>	<b>28,811</b>	<b>66,328</b>

**Note 15**      **Deferred Income**

	<b>2021</b>	<b>2020</b>
Funding received in advance	-	41,319
	-	-

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2021

#### Note 16      Movements in Restricted and Unrestricted Funds

	<b>Balance b/f</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Transfers</b>	<b>Balance c/f</b>
<u>Restricted funds</u>					
Disability Access Fund	-	-	-	-	-
Access to Learning	-	542	542	-	-
The Big Lottery	8,260	-	435	-	7,825
CCF Manor Farm	357	-	118	-	239
Pirate Trust	125	-	125	-	-
Coronavirus Wages Support	-	1,020	1,020	-	-
Tesco	1,166	-	295	-	871
	<b>9,908</b>	<b>1,562</b>	<b>2,535</b>	<b>-</b>	<b>8,935</b>
<u>Unrestricted funds</u>	133,301	312,196	309,804	-	135,693
	<b>143,209</b>	<b>313,758</b>	<b>312,339</b>	<b>-</b>	<b>144,628</b>
	<b>Balance b/f</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>Transfers</b>	<b>Balance c/f</b>
<u>Prior year</u>					
<u>Restricted funds</u>					
Disability Access Fund	-	1,230	1,230	-	-
Access to Learning	-	653	653	-	-
The Big Lottery	8,695	-	435	-	8,260
CCF Manor Farm	535	-	178	-	357
Cornwall Council	158	-	158	-	-
Pirate Trust	125	-	-	-	125
Coronavirus Wages Support	-	9,814	9,814	-	-
Tesco	-	1,166	-	-	1,166
	<b>9,513</b>	<b>12,863</b>	<b>12,468</b>	<b>-</b>	<b>9,908</b>
<u>Unrestricted funds</u>	138,276	313,481	318,456	-	133,301
	<b>147,789</b>	<b>326,344</b>	<b>330,924</b>	<b>-</b>	<b>143,209</b>

#### Restricted fund details

Cornwall Council provides additional funding through the Disability Access Fund and the Access to Learning Grant for children who need additional support. One child was supported in 2021.

The Big Lottery provided a grant in 2017 towards the cost of air conditioning for Scol Kensa.

CCF Manor Farm provided a grant in 2017 to purchase bikes for both settings.

The Pirate Trust provided a grant in 2019 towards the cost of repairs and modifications in the toilet area at Scol Kensa. This was delayed due to the pandemic and spent in 2021.

## Stepping Stones Childcare (Cornwall)

### Notes to the Financial Statements for the Year Ended 31st August 2021

**Note 17**      **Analysis of Net Assets between Funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2021</b>
Tangible Fixed Assets	87,954	8,064	96,018
Current Assets	76,550	871	77,421
Creditors	(28,811)	-	(28,811)
	<b>136,693</b>	<b>8,935</b>	<b>144,628</b>

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2020</b>
<b>Prior year</b>			
Tangible Fixed Assets	89,402	8,617	98,019
Current Assets	111,517	-	111,517
Creditors	(66,328)	-	(66,328)
	<b>134,591</b>	<b>8,617</b>	<b>143,208</b>

**Note 18**      **Related Party Transactions**

During the year, no Trustees were invoiced for childcare services by the Charity.

**Note 19**      **Operating Lease Commitments**

At 31st August 2021, the Charity had total commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2021</b>	<b>2020</b>
Within one year	6,159	6,159
Between two and five years	24,636	24,636
After five years	83,947	90,106
	<b>114,742</b>	<b>120,901</b>

**Note 20**      **Full Analysis**

A full analysis of incoming and outgoing resources can be found in the appendix attached.

STEPPING STONES CHILDCARE (CORNWALL)

Appendix

For the Year Ended 31st August 2021

# **Stepping Stones Childcare (Cornwall)**

**Year Ended 31st August 2021**

## **Appendix Contents**

Page 1	Cover Sheet
Page 2	Contents
Page 3	Total Profit and Loss Account
Page 4	Mount Charles Profit and Loss Account
Page 5	Scol Kensa Profit and Loss Account
Page 6	Emergency Care Profit and Loss Account
Page 7	Governance Costs Analysis Support Costs Analysis
Page 8	Other Income Analysis

## Stepping Stones Childcare (Cornwall)

### Profit and Loss Account Year Ended 31st August 2021

	<u>2021</u>		<u>2020</u>
<b>INCOME</b>			
Fees charged	46,111		35,793
3 & 4 YO Nursery Education Grant funding	209,567		212,918
2 YO Funding	41,814		49,467
Additional funding	<u>10,796</u>		<u>1,883</u>
	308,288		300,061
Milk Reimbursement	2,396		2,132
Other Income	1,244		22,592
Fundraising Income	<u>1,830</u>		<u>1,559</u>
	313,758		326,344
<b>COST OF SALES</b>			
Fundraising Purchases	151		177
<b>EXPENSES</b>			
<b><u>Establishment Costs</u></b>			
Business Rates	12		123
Water Rates	843		471
Light and Heat	5,076		4,276
Buildings Insurance	1,373		1,373
Property Repairs	2,631		952
Rent	6,159		7,054
Security Costs	1,619		655
Storage Costs	<u>1,590</u>		<u>1,372</u>
	19,303		16,276
<b><u>Labour Costs</u></b>			
Gross Wages	254,368		274,503
Employer's National Insurance	6,228		6,499
Employer's Pension costs	<u>3,177</u>		<u>3,530</u>
	263,773		284,532
<b><u>General Costs</u></b>			
Catering	2,877		2,999
Consumables	4,868		3,421
Craft	400		699
Holiday Club expenses	531		169
Repairs and Renewals	1,271		1,387
Training	1,337		1,108
Staff Uniform	37		473
Insurance	3,359		3,312
Subscriptions and Publications	906		1,668
Sundries	137		55
Mileage	<u>1</u>		<u>153</u>
	15,724		15,464
<b><u>Administration Costs</u></b>			
Postage and Stationery	1,862		2,008
Telephone	1,947		1,607
Advertising	166		-
Computer Expenses	<u>2,073</u>		<u>2,444</u>
	6,068		6,059
<b><u>Other Costs</u></b>			
Bank Charges	1,644		1,602
Bank Interest	8		-
Other interest paid	140		140
Bad debts	587		1,733
Legal and Professional Fees	-		-
Independent examination	2,940		2,640
Depreciation	<u>2,001</u>		<u>2,301</u>
	7,320		8,416
	312,339		330,924
<b>Surplus/(Deficit) for the year</b>	<u><u>1,419</u></u>		<u><u>(4,580)</u></u>

**Stepping Stones Childcare (Cornwall)**

**Profit and Loss Account**  
**Year Ended 31st August 2021**

**MOUNT CHARLES**

	<b><u>2021</u></b>		<b><u>2020</u></b>
<b><u>INCOME</u></b>			
Pre-School fees	13,693		7,588
Toddler group fees	-		445
3 & 4 YO Nursery Education Grant funding	72,285		83,496
2 YO Funding	23,216		23,985
Additional funding	<u>7,827</u>		<u>615</u>
	117,001		118,127
Milk Reimbursement	915		914
Other Income	728		10,693
Fundraising Income	<u>838</u>		<u>701</u>
	119,482		128,435
<b><u>COST OF SALES</u></b>			
Fundraising Purchases	74		80
<b><u>EXPENSES</u></b>			
<b><u>Establishment Costs</u></b>			
Business Rates	12		123
Water Rates	843		471
Light and Heat	1,950		1,521
Buildings Insurance	1,121		1,121
Property Repairs	220		848
Security Costs	247		216
Storage Costs	<u>795</u>		<u>686</u>
	5,188		4,786
<b><u>Labour Costs</u></b>			
Gross wages:			
Pre-School	87,868		87,732
Toddler Group	<u>-</u>		<u>572</u>
	87,868		88,304
Employer's National Insurance	1,866		2,050
Employer's Pension costs	<u>1,045</u>		<u>1,123</u>
	2,911		3,173
<b><u>General Costs</u></b>			
Catering	1,175		1,280
Consumables	2,624		1,766
Craft	87		251
Repairs and Renewals	303		505
Training	525		461
Staff Uniform	13		245
Insurance	1,828		1,801
Subscriptions and Publications	488		642
Sundries	27		45
Mileage	<u>-</u>		<u>28</u>
	7,068		7,004
<b><u>Administration Costs</u></b>			
Postage and Stationery	820		901
Telephone	1,017		888
Advertising	83		-
Computer Expenses	<u>651</u>		<u>975</u>
	2,571		2,764
<b><u>Other Costs</u></b>			
Bank Charges	822		801
Bank Interest	4		-
Other interest paid	70		70
Bad Debts	215		1,001
Legal and Professional Fees	-		-
Independent Examination	1,470		1,320
Depreciation	<u>267</u>		<u>400</u>
	2,848		3,592
	109,528		109,703
<b>Surplus/(Deficit) for the year</b>	<u><u>10,964</u></u>		<u><u>18,732</u></u>

**Stepping Stones Childcare (Cornwall)**

**Profit and Loss Account**  
**Year Ended 31st August 2021**

**Scol Kensa**

	<u>2021</u>		<u>2020</u>
<b><u>INCOME</u></b>			
Caterpillar room fees	14,018		20,531
2 YR Funding	18,598		24,400
Toddler group fees	-		429
Butterfly room fees	8,329		3,805
3 & 4 YR Nursery Education Grant funding	137,302		127,967
Additional funding	2,969		1,268
Holiday Club fees	10,071		2,899
	<u>191,287</u>		<u>181,299</u>
Milk reimbursement	1,481		1,218
Other income	516		11,899
Fundraising Income	992		858
	<u>194,276</u>		<u>195,274</u>
<b><u>COST OF SALES</u></b>			
Fundraising Purchases	77		97
<b><u>EXPENSES</u></b>			
<b><u>Establishment Costs</u></b>			
Light and Heat	3,126	2,755	
Property Repairs	2,411	304	
Buildings Insurance	252	252	
Security Costs	1,372	439	
Storage Costs	795	886	
Rent	6,159	7,054	
	<u>14,115</u>	<u>11,490</u>	
<b><u>Labour Costs</u></b>			
Gross wages:			
Caterpillar room	67,280	82,665	
Toddler group	-	862	
Butterfly room	83,380	89,047	
Holiday Club	15,840	11,021	
	<u>166,500</u>	<u>183,595</u>	
Employer's National Insurance	4,362	4,449	
Employer's Pension costs	2,132	2,366	
	<u>6,494</u>	<u>6,815</u>	
<b><u>General Costs</u></b>			
Catering	1,702	1,728	
Consumables	2,244	1,552	
Craft	313	448	
Holiday Club expenses	531	189	
Repairs and Renewals	968	882	
Training	812	647	
Staff Uniform	24	228	
Insurance	1,531	1,511	
Subscriptions and Publications	420	1,026	
Sundries	110	10	
Mileage	1	114	
	<u>8,656</u>	<u>8,335</u>	
<b><u>Administration Costs</u></b>			
Postage and Stationery	1,062	1,107	
Telephone	930	719	
Advertising	83	-	
Computer Expenses	1,422	1,469	
	<u>3,497</u>	<u>3,295</u>	
<b><u>Other Costs</u></b>			
Bank Charges	822	801	
Bank Interest	4	-	
Other Interest paid	70	70	
Bad Debts	372	732	
Legal and Professional fees	-	-	
Independent Examination	1,470	1,320	
Depreciation	1,734	1,901	
	<u>4,472</u>	<u>4,824</u>	
	203,811		216,451
<b>Surplus/(Deficit) for the year</b>	<u>(9,535)</u>		<u>(23,177)</u>

**Stepping Stones Childcare (Cornwall)**

**Profit and Loss Account**  
**Year Ended 31st August 2021**

**Emergency Care**

	<u>2021</u>		<u>2020</u>	
<b><u>INCOME</u></b>				
Fees	0		98	
3 & 4 YO Funding	0		1455	
2 YO Funding	0		1082	
		0		2635
<b><u>EXPENSES</u></b>				
<b><u>Labour Costs</u></b>				
Gross wages	0		2,604	
Employer's Pension costs	0		41	
		0		2,645
<b><u>General Costs</u></b>				
Catering	0		11	
Consumables	0		103	
Mileage	0		11	
		0		125
		0		2,770
<b>Surplus/(Deficit) for the year</b>	<u>0</u>		<u>(135)</u>	

## Stepping Stones Childcare (Cornwall)

### Governance and Support Costs Analysis

Year Ended 31st August 2021

#### Governance Costs

	<u>2021</u>	<u>2020</u>
Independent Examination	2,940	2,760
Legal and Professional Fees	-	-
Wages: Business Manager (50% governance)	7,516	8,993
Manager (50% governance)	<u>4,226</u>	<u>10,921</u>
	11,742	19,914
<b>Total</b>	<b><u><u>11,742</u></u></b>	<b><u><u>22,674</u></u></b>

#### Support Costs

Wages: Administrator	12,821	11,990
Finance Assistant	17,802	14,948
Administrative Assistants	4,673	5,317
Assistant Manager/Inclusion Co-ordinator	15,362	13,750
Business Manager (50%)	7,516	8,992
Manager (50%)	<u>4,226</u>	<u>10,921</u>
	62,400	65,918
	<b><u><u>62,400</u></u></b>	<b><u><u>65,918</u></u></b>

## Stepping Stones Childcare (Cornwall)

### Analysis of Other Income

Year Ended 31st August 2021

<u>Mount Charles</u>	Voluntary Income	Investment Income	Grant income	Total
Donations	191			191
HMRC Coronavirus SSP rebate			535	535
Bank Interest		2		2
	<b>191</b>	<b>2</b>	<b>535</b>	<b>728</b>
<u>Scol Kensa</u>				
Donations	29			29
HMRC Coronavirus SSP rebate			485	485
Bank Interest		2		2
	<b>29</b>	<b>2</b>	<b>485</b>	<b>516</b>
<b>Total</b>	<b>220</b>	<b>4</b>	<b>1,020</b>	<b>1,244</b>