



First Steps (BATH)

Financial Statements for the year ended 31st March 2021

IN PARTNERSHIP WITH

**Bath & North East
Somerset Council**



Charity registration number 1012690

Registered Company number 02656485

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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CHAIR'S REPORT

2020/21 has been a challenging time for us all. I am pleased to report that First Steps has stayed open throughout the pandemic, and I thank all staff, and parents, for their understanding and flexibility that has allowed us to do this. It was a significant achievement for us and enabled First Steps to continue to provide the support and services that families needed during this difficult time.

A year ago we faced some considerable financial uncertainties. However, thanks to support from a range of trusts and foundations, individual and community supporters, we could adapt and continue to deliver our charitable services over the last year. In particular the Julia and Hans Rausing Trust made a very generous donation which provided us with financial stability at a difficult time, but there were many others for whose support we are equally grateful. In total, thanks to this generosity, we have received £86,000 through fund raising in 2020/21.

Consequently, with careful management, we completed the last financial year with a healthy surplus. This has provided us with sufficient reserves to see through what I hope will be the final stages of the pandemic, and to help us look to the future with confidence.

We continue to receive positive feedback from parents, and we very much value this. Our focus on the community will remain – we wish to provide local, quality, all year around nursery care, and a support hub for families with preschool children. So we have sought to focus on the communities we serve during this difficult period, and we will continue to do this. During the year ahead we will be organising opportunities to hear more in depth feedback from parents and other stakeholders so that we can develop and focus our resources on relevant activities that meet our children's needs. I hope as many of you as possible will be able to contribute to this.

We have the capacity at both Twerton and Moorlands to do more when conditions allow, and we wish to explore with our partners how we can better meet the significant unmet demand for children with special educational needs. We have continued to work closely with the Local Authority concerning the Bath Opportunity Playgroup where the demand for places considerably exceeds the spaces available. We will be looking at ways we can do more to enhance this service in the future.

Finally, in addition to staff and parents, I want to thank trustees and volunteers, as well as our partners, for their commitment and hard work during the year. I am hopeful that we can all contribute to enhancing the impact we make as we return to normality.

Best wishes
Ken Littlewood



Chair

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The Committee of Management presents its report for the year up to 31st March 2021.

Further information about the charity and its work may be found on First Steps (Bath) website (www.firststepsbath.org.uk) and through direct enquiry to the main office at Woodhouse Road, Twerton, Bath, BA2 1SY.

REFERENCE AND ADMINISTRATIVE INFORMATION

Chair	Ken Littlewood	Retired Business Executive
Resigned 21/07/2020	Jane Millar	Professor of Social Policy University of Bath
Vice Chair	Janet Rose	Director Norland College
Treasurer	*Tom Williams	Management Accountant
Other trustees	Isobel Michael	Director NSP Philanthropy
Resigned 20/10/2020	Dougie Brown	Director of eXL Consultancy
	Meg North	Retired local government officer
	Marina Sloan	Specialist Speech & Language Therapist
	Mike Turner	Managing Director
	Val Wheeler	Retired Health Visitor
	*Simon Andrews	Project Manager
Appointed 28/04/2020	*Kate Tuckwell	Senior Lecturer of Social and Policy Sciences
Appointed 21/07/2021	Elisabeth Hacking	Lecturer and Researcher University of Bath

* Denotes parents whose children used First Steps (Bath) services during the year.

Senior Management Team	Roz Lambert	Chief Executive
	Sarah Elliott	Finance & Administration Manager and Company Secretary
Appointed 01/04/2020	Charlotte Miller	Children's Services Manager – Moortlands
	Louise Hewings	Children's Services Manager – Twerton
	Stefanie Walbyoff	Children's Services Manager- BOP
Maternity Cover from 20/04/20	Natalie Miles	Acting Children's Services Manager - BOP

Registered office	Woodhouse Road Twerton, Bath, BA2 1SY
E-mail	info@firststepsbath.org.uk
Website	www.firststepsbath.org.uk

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TRUSTEES' ANNUAL REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

First Steps (Bath) is a company limited by guarantee and is a registered charity, which is governed by its Memorandum and Articles of Association dated 10 June 1992. The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Trustee Board.

Organisational Structure

First Steps (Bath) is governed by a Charity Board of Trustees, which includes parents using our services and local professionals. The Board's membership reflects key stakeholders in the local community including local public services, local businesses, independent consultants, voluntary organisations and schools. Trustees therefore bring a wide range of individual skills and experience to the Board.

The Trustee Board, which met five times during the year, makes decisions on the annual budget, formulates policy and considers strategic issues which affect the charity. At the Annual General Meeting the Trustees elect the Chairperson.

The Trustees of First Steps (Bath) delegate the day-to-day running of the charity to the Chief Executive and Senior Management Team, who attend Trustee Board meetings in an advisory capacity. The Trustee Board has power to require the Chief Executive and members of staff to withdraw from meetings whenever confidential matters are being discussed.

Recruitment and appointment of Trustee Board members

Recruitment of new Trustees is on-going; interested potential Trustees are invited to submit a CV and meet with the Chair of Trustees and CE prior to attending a Board meeting as an observer. Before being nominated for election, the procedures for safe recruitment are followed.

Trustee Induction and Training

The structure and process of new Trustee Induction and training has been developed as part of the recruitment of new Trustees. Information packs containing copies of the financial statements, Memoranda and Articles of Association, and recent Board Meeting Minutes are provided. An invitation is made to visit staff and volunteers. Training is offered through specific sessions tailored to meet the needs of current Trustees.

Risk Management

The Trustee Board has responsibility to manage risk within the charity. They have updated and reviewed risks within the year and agreed a schedule of actions to mitigate the identified risks. Any updates to the risk assessments are brought to Board meetings and the risk assessments are reviewed by the Board annually.

FIRST STEPS (BATH)

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TRUSTEES' ANNUAL REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

No trustees receive remuneration or other benefit from their work with the charity. Any contractual relationship with a related party between a trustee and senior manager of the charity must be disclosed to the full board of trustees. In the current year no such related party transactions were reported.

AIMS

Our Mission

First Steps has a governing document (Memorandum and Articles of Association dated 10 June 1992) which sets out our 'Objects' as a charity. These have been summarised into our mission:

"to work in partnership with children, families, colleagues and the community by being a responsive, informed, reflective and innovative provider of early years' education, childcare and integrated family services"

In pursuing this mission First Steps will deliver value to:

- Children, through access to quality integrated care, play and early learning opportunities
- Families, through a range of services which are responsive to their individual needs with an emphasis on bringing services to families
- Staff, by maintaining a stimulating environment that encourages innovation and best practice and developing and implementing a coherent range of policies understood and valued by all
- Other stakeholders, through our commitment to working collaboratively with professionals from other disciplines, sharing expertise and exploiting opportunities in areas of common interest

Our guiding principles

To guide our actions as an organisation and ensure a culture of shared values and direction we:

- Work in partnership not in competition
- Are committed to an integrated service approach that brings professionals from various disciplines together
- Foster an ethos of providing professional support in a non-judgemental and non-stigmatising way
- Encourage open-mindedness within our practice and ensure that our policies are sufficiently flexible to admit new ideas
- Respect parents as partners in the educational and developmental progress of their children
- Create a culture that values and celebrates children and families in a way that strengthens our community
- Seek new ways of doing things, explore new approaches, and are open to learning from others
- Measure our success by the way we deliver on our commitment to better outcomes for children and families

FIRST STEPS (BATH)
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FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT

OBJECTIVES AND ACTIVITIES

The principal objectives of First Steps (Bath) are to advance the development of education of children below compulsory school age (by encouraging parents to understand and provide for the needs of their children) in particular through the provision of safe and satisfying group play in which parents have the right to take part and by encouraging the study of the needs of children and their families and by promoting public interest in and recognition of such needs in the City of Bath and as a result of the provision of such facilities to relieve cases of need hardship or distress.

This work is conducted through two Community Nurseries, First Steps Twerton and First Steps Moorlands and an Early Years Specialist service, First Steps Bath Opportunity Preschool, (BOP). A contract with the Local Authority for early years specialist provision funds BOP.

In shaping these priorities and planning our activities the Trustees have considered the Charity Commission's guidance on public benefit. The Trustees undertake an annual review of day care fees; in setting the level of fees and concessions, the Trustees give careful consideration to ensuring the accessibility of the service for those on low incomes.

Our Purpose

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

Our Partners

Much of our work is delivered in partnership with other agencies, to provide integrated 'seamless' support for children and families when they need it. Examples of the partners include:

- Virgin Health Care - Health Visitors have an office in Woodhouse Road delivering the Healthy Child Programme they specifically provide baby feeding hubs, baby massage and one to one meetings with parents, on site and support team around the child meetings.
- Speech & Language service: We use the pupil premium funding to pay for a speech and language therapist to be embedded within our services to provide special projects or groups with children; screening and individual work with children and advice and training for staff to enhance the usual support.
- Other health professionals, e.g. community paediatricians, occupational therapists – provide staff with advice and guidance; individual work with children and families
- Action for Children – family support workers delivering the Children's Centre Service have an office at Woodhouse Road. Parenting programmes and support groups are delivered from there.
- First Steps provide placements for 'children in need' and/or children who are the subject of a child protection plan, and 'child friendly' venues for contact sessions.
- Southside Family Project: supporting families with complex needs.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT

OBJECTIVES AND ACTIVITIES

Our Partners (continued)

- Local schools, particularly our neighbours: Moorlands Schools Federation, St. Michaels C of E Junior School and Twerton Infants School; together with B&NES Children's Service and school staff, e.g. on school transition and we work with Advisory Teachers, the Behaviour Support Service who provide advice and individual work.
- B&NES Bright Start Children's Centres: joint working or training, collaboration and sharing good practice
- Bath Spa University, University of Bath, Norland Collage and other training providers, local colleges, and schools: First Steps acts as a training base for a range of student placements

ACHIEVEMENT AND PERFORMANCE.

Our achievements for 2020/2021

Priority One: To continue with the ambitious vision to deliver universal, inclusive children care and education, high expectations for children's achievement and high standards of provision.

- Forty nine percent of Staff live locally, ensuring that the lived experience of families is understood by services and demonstrating fair employment within the community.
- 75 children from low-income families received free meals
- Home learning bags were created and shared with families during lock down and beyond.
- Training practitioners in the Thrive Approach supporting children's emotional and social development.

Priority Two: To further develop the concept of Community Nursery and Early Years Centre through the delivery of services that raise the profile of the early years in a child's life and are responsive to family needs and special educational needs.

- Despite the pandemic, sessions to support parents continued on line and in person where possible, cooking sessions and outdoor forest school informed sessions.
- Staff developed ways to link to families virtually to deliver speech and language support and music therapy.
- Managers were attuned the individual needs of families in isolation and linked them to local services as well as delivering medicine and food in emergencies.
- Over £70,000 was raised to support and enhance service provision, supporting a number of projects.
- The numbers of children at BOP were extended by 30% to meet need
- Numbers of children with special educational needs attending Community Nurseries exceeded the national average of 11%

Priority Three: To further develop the Social Enterprise Model, exploring new funding and trading opportunities, employing a mixed model of funding to ensure the success and security of our long term future plans.

- Despite the pandemic, First Steps maintained a healthy cash flow position.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT

OBJECTIVES AND ACTIVITIES (continued)

Our priorities for 2021 – 2022 are: -

PRIORITY ONE: To continue with the ambitious vision to deliver universal, inclusive children care and education, high expectations for children's achievement and high standards of provision.

Ensure that a sharp focus is placed on improving the life chances of children through accurate evaluation of provision through information gathered from, children, parents, staff and linked professionals and data from children's assessments. To embed the concept of Childhood nature, the idea that children are nature that human health and wellbeing is linked to the environment. Those adults have a responsibility to ensure that children have access to nature and opportunities to explore the natural world, that children are encouraged to be active citizens and are encouraged in appropriate ways to embed sustainability. To be promoting healthy and sustainable living for children families and the community.

Priority Two: To further develop the concept of Community Nursery and Early Years Centre through the delivery of services that raise the profile of the early years in a child's life and are responsive to family needs and special educational needs.

Priority Three: To further develop the Social Enterprise Model, exploring new funding and trading opportunities, employing a mixed model of funding to ensure the success and security of our long-term future plans.

Priority Four: To develop the theory of change, identifying the core problems that First Steps aims to address, its root causes and consequences, question assumptions and establish evidence of need. Leading to meaningful and measurable activities that meet community need and can be clearly articulated.

FINANCIAL REVIEW

First Steps (Bath) continued to improve its financial situation through a difficult year with growth in restricted and unrestricted funds. The budget was revised considering the uncertainty that COVID brought with a cautious approach to planning in the year. All services remained open although occupancy was limited in the period April to mid-July following government Covid restrictions with access only available to vulnerable and key worker children.

The significant features of the finances during the year are as follows:

- **Nursery Income** - fee income from parents reduced by £63,000 compared to 2020 due to limiting numbers of children attending Nursery in line with Government Covid rules. The Early Years Entitlement decreased by £8,000 (down 2%) compared to last year, although occupancy was down the impact of COVID was limited as the Government guaranteed Early Years funding based on previous years for the period April to December.
- **Specialist Service Contract** – First Steps was awarded a 3-year contract with B&NES to take on the provision of a specialist service from August 2018 with a contract value of £200,000 per annum.

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FINANCIAL STATEMENTS

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TRUSTEES' ANNUAL REPORT

FINANCIAL REVIEW (continued)

- **Funding from B&NES** – Placement and Inclusion payments from Social Services increased by nearly £135,000 (up 340%) compared to last year. Funding from Early Years Pupil Premium with the deprivation Supplement (previously included in the Early Years Entitlement) was at a similar rate as 2020 its aim to give extra support for children from low-income families. Funding via the Disability Access Fund increased due to the number of children attending who were eligible.
- **COVID Grant** – awarded from local government to support the additional costs of remaining open within Covid restrictions, this was based on the number of children attending during the first lockdown period.
- **Job Retention Scheme** – funding was received from the furlough of staff who are not funded by public money totalling £74,800.
- **Total incoming resources** - the increase in B&NES funding was offset by decreased nursery income. This meant incoming resources from charitable activities have grown by £107,670 (9.5%); after including income from fundraising £85,963 (of which £70,671 was restricted) and other sources; to a total £1,420,079 (2020: £1,208,002).
- **Employment costs** – at £928,710 these amount to 80% of all spending on unrestricted activities – these were in line with the previous year.
- **Other direct costs** – of £96,362 have reduced by 18% from last year, (2020: £118,231), the assessed value of subsidised meals for children reduced to £11,946 due to limited number of children attending nursery (2020: £20,005) of which was funded by restricted funds with the remaining funds of £1,810 carried forward.
- **Overheads** - amount to £113,046, which was 17% less than the previous year due to reduced premises costs due to the COVID and changing of processes.

The overall result for the year was a surplus in funds of £184,205 (2020, £1,550 deficit) which includes a surplus on restricted funds of £11,102 (2020: £24,761 deficit) and a surplus of £173,103 on unrestricted funds (2020: £23,211 surplus).

The trustees have also created a designated fixed asset reserve to allow clearer recognition of working capital (expendable free reserves) and those reserves tied up as liquid assets. Further information can be found in the notes to the accounts.

Reserve's policy.

The trustees have carefully considered the level of free reserves that should be maintained to safeguard our obligations under our contract and the needs of users of First Steps Services.

The trustees have agreed that the minimum free reserves should amount to no less than 2 months total expenditure which is approximately £200,000. Currently free reserves amount to £367,005 (3.5 months total expenditure).

In light of the continuing effect of Covid both directly on our business and indirectly with our service users and the impact on our ability to raise funds in the future, the trustees are satisfied with the current level of reserves. The trustees are hopeful that the current level of free reserves will enable the charity to grow and take advantage of opportunities to further our charitable objectives in the future

FIRST STEPS (BATH)

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TRUSTEES' ANNUAL REPORT FINANCIAL REVIEW (continued)

Fixed assets

Movements in fixed assets are set out in Note 13 to the financial statements; there was one addition to fixed assets during the year which relates a new dishwasher at Moorlands £2,550 (2020, £5,160 of additions).

PLANNING FOR THE FUTURE

The trustee's strategic workshop was held in November 2020. In the light of the pandemic Trustees felt that it was timely to review First Steps provision of services and undertake a community consultation using the theory of Change. At the same time continuing with a commitment to delivering quality services and opportunities for growth.

Covid

The continuing impact of COVID19 has been considered and plans have been made for a potential reduction in income in the event of short term full or partial closures of services due to closing bubbles in line with government guidelines. These risks will reduce with the removal of the requirement to close bubbles and the progress of an economic recovery becomes clear

Considering the above actions, the Trustees are confident it will be able to meet its obligations as they fall due for a minimum period of at least 12 months from the date of signing.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees (who are also the directors of the First Steps (Bath) for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 judgements and 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 business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES' ANNUAL REPORT

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the board of trustees

AUDITORS

The auditors, Moore, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 20th July 2021 and signed on its behalf by:-



Ken Littlewood - Chair



Sarah Elliott – Company Secretary

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITORS' REPORT TO
THE MEMBERS OF FIRST STEPS (BATH)

Opinion

We have audited the financial statements of First Steps (Bath) (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as of 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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FINANCIAL STATEMENTS
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INDEPENDENT AUDITORS' REPORT TO
THE MEMBERS OF FIRST STEPS (BATH) (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FIRST STEPS (BATH) (continued)

Responsibilities of trustees (continued)

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK Financial Reporting Standards and the Charities Act 2011.

We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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INDEPENDENT AUDITORS' REPORT TO
THE MEMBERS OF FIRST STEPS (BATH) (continued)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Powell (Senior Statutory Auditor)
for and on behalf of Moore Chartered Accountants and Statutory Auditors
30 Gay Street
Bath
BA1 2PA

Date: 18/8/2021

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)

				31.3.21	31.3.20
		Unrestricted funds	Designated Fixed Asset Reserve Fund	Restricted funds	Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	15,291	-	148,523	163,814
Charitable activities	5				
Charitable Activities		1,238,963	-	-	1,238,963
Other trading activities	3	17,156	-	-	17,156
Investment Income	4	146	-	-	146
Total		1,271,556	-	148,523	1,420,079
EXPENDITURE ON					
Charitable activities	6				
Charitable Activities		1,061,186	37,267	137,421	1,235,874
NET INCOME/(EXPENDITURE)		210,370	(37,267)	11,102	184,205
Transfers between funds	18	(2,549)	2,549	-	-
Net movement in funds		207,821	(34,718)	11,102	(1,550)
RECONCILIATION OF FUNDS					
Total funds brought forward		159,184	1,453,791	78,690	1,691,665
TOTAL FUNDS CARRIED FORWARD		367,005	1,419,073	89,792	1,875,870

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
BALANCE SHEET AT 31 MARCH 2021

				31.3.21	31.3.20
	Notes	Unrestricted funds £	Designated Fixed Asset Reserve Fund £	Restricted funds £	Total funds £
FIXED ASSETS					
Tangible assets	13	-	1,419,073	-	1,419,073
CURRENT ASSETS					
Stocks	14	1,299	-	-	1,299
Debtors	15	231,706	-	-	231,706
Cash at bank		190,028	-	89,792	279,820
		423,033	-	89,792	512,825
CREDITORS					
Amounts falling due within one year	16	(56,028)	-	-	(56,028)
NET CURRENT ASSETS		<u>367,005</u>	<u>-</u>	<u>89,792</u>	<u>456,797</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>367,005</u>	<u>1,419,073</u>	<u>89,792</u>	<u>1,875,870</u>
NET ASSETS		<u>367,005</u>	<u>1,419,073</u>	<u>89,792</u>	<u>1,875,870</u>
FUNDS					
Unrestricted funds	18			1,786,078	1,612,975
Restricted funds				89,792	78,690
TOTAL FUNDS				<u>1,875,870</u>	<u>1,691,665</u>

The financial statements were approved by the Board of Trustees on 20th July 2021 and were signed on its behalf by:





Ken Littlewood - Chair

Sarah Elliott – Company Secretary

Company number 02656485 Charity registration number 1012690

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FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF CASH FLOWS

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	<u>13,935</u>	<u>48,226</u>
Net cash provided by operating activities		<u>13,935</u>	<u>48,226</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(2,550)</u>	<u>(8,095)</u>
Interest received		<u>146</u>	<u>573</u>
Net cash used in investing activities		<u>(2,404)</u>	<u>(7,522)</u>
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents at the beginning of the reporting period		<u>268,289</u>	<u>227,585</u>
Cash and cash equivalents at the end of the reporting period		<u>279,820</u>	<u>268,289</u>

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21 £	31.3.20 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	184,205	(1,550)
Adjustments for:		
Depreciation charges	37,267	36,393
Interest received	(146)	(573)
Decrease/(increase) in stocks	857	(702)
Increase in debtors	(187,529)	(483)
(Decrease)/increase in creditors	<u>(20,719)</u>	<u>15,141</u>
Net cash provided by operations	<u>13,935</u>	<u>48,226</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank	<u>268,289</u>	<u>11,531</u>	<u>279,820</u>
	<u>268,289</u>	<u>11,531</u>	<u>279,820</u>
Total	<u>268,289</u>	<u>11,531</u>	<u>279,820</u>

FIRST STEPS (BATH)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

The accompanying accounting policies and notes form an integral part of these financial statements

1. PRINCIPAL ACCOUNTING POLICIES

Basis of preparing the financial statements

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

First Steps (bath) 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 notes.

Going Concern / Covid

During the period under review and continuing to the date that the Financial Statements were approved the coronavirus (COVID 19) outbreak has caused extensive disruptions to businesses and economic activities globally.

The trustees have considered the financial resources and commitments of the charity, particularly considering the coronavirus outbreak, and concluded that they have sufficient resources to meet liabilities as they fall due. The trustees therefore consider it appropriate to prepare the financial statement on the going concern basis.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Contract and grant income is included as incoming resources in the period to which it relates.
- When donors specify that donations or grants are for particular restricted purposes, the income is included as incoming resources of restricted funds when receivable. Grants received are deferred and recognised through the statement of financial activities in full when conditions for receipt are complied with.
- Intangible income, including gifts in kind, is included at the trustees' valuation when known.
- No amounts are included in the financial statements for services donated by volunteers.
- Where incoming resources are for goods or services and, upon full performance of the service, any surplus funds can be retained and used for general purposes, the incoming resources and related expenditure is treated as unrestricted.

Resources expended and liabilities

Expenditure is recognised on an accruals basis as a liability is incurred; inclusive of any VAT where this cannot be recovered. Liabilities are recognised when the charity has an obligation to transfer economic benefit as a result of a past transaction or event.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

Stocks

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

Taxation

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

Pensions

The charity's employees are eligible to participate in The Pension Trust's Defined Contribution Pension Scheme. The employer's contributions payable to this scheme are charged to the income and expenditure account in the period to which they relate.

Fund accounting

Funds held by the charity are either:

- **Unrestricted** - these are donations and other income generated, for the objects of the charity without further specified purposes and which can be used in accordance with the charitable objects at the discretion of the trustees.
- **Restricted funds** - these can only be used for particular restricted purposes, the charity, as specified by the donor. Expenditure which meets these criteria is charged against the fund. Further details of the funds are given in the Notes to the Accounts.

Tangible Fixed Assets

Tangible fixed assets costing more than £2,000 are capitalised and included at cost. Depreciation is calculated to write off the cost, less estimated residual values, of tangible fixed assets over their estimated useful lives to the charity. The annual depreciation rates and methods are:

Leasehold property	Evenly over a period of 50 years
Fixtures, fittings and equipment	10 or 25% straight line

A review of impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognized as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

PRINCIPAL ACCOUNTING POLICIES (continued)

Fund accounting

Funds held by the charity are either:

- Unrestricted - these are donations and other income generated, for the objects of the charity without further specified purposes and which can be used in accordance with the charitable objects at the discretion of the trustees.

- Designated – Designed funds are fixed assets which are ringfenced to allow a clear presentation of free unrestricted reserves available.

- Restricted funds - these can only be used for particular restricted purposes, the charity, as specified by the donor. Expenditure which meets these criteria is charged against the fund. Further details of the funds are given in the Notes to the Accounts.

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

2. DONATIONS AND LEGACIES

	31.3.21	31.3.20
	£	£
Donations and fundraising	85,963	41,248
Grants	<u>77,851</u>	<u>7,740</u>
	<u>163,814</u>	<u>48,988</u>

Grants received, included in the above, are as follows:

	31.3.21	31.3.20
	£	£
Government Grants	74,801	-
Other grants	<u>3,050</u>	<u>7,740</u>
	<u>77,851</u>	<u>7,740</u>

The government grant relates to the Coronavirus Job Retention Scheme (CJRS).

3. OTHER TRADING ACTIVITIES

	31.3.21	31.3.20
	£	£
Community lettings	15,665	26,794
Training Income	-	176
Misc Income	<u>1,491</u>	<u>178</u>
	<u>17,156</u>	<u>27,148</u>

4. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Deposit account interest	<u>146</u>	<u>573</u>

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

5. INCOME FROM CHARITABLE ACTIVITIES

			31.3.21 Charitable Activities £	31.3.20 Total activities £
Incoming Resources			<u>1,238,963</u>	<u>1,131,293</u>
	Unrestricted Funds	Restricted Funds	Total 2021 £	Total 2020 £
Bath & North East Somerset Council:	£	£	£	£
Children's Centre Contract Funding	42,950	-	42,950	-
BOP	200,000	-	200,000	200,000
Social Services: CHIF	205,012	-	205,012	63,931
Other grant funding	-	-	-	1,350
Other revenue funding	360	-	360	6,055
Total Revenue Funding	448,322	-	448,332	271,336
Nursery Fees & Related Funding:				
Early Years Entitlement	434,387	-	434,387	442,604
Nursery fees charged to parents	334,479	-	334,479	397,689
Early Years Pupil Premium	21,775	-	21,775	19,664
	790,641	-	790,641	859,957
Total income from charitable activities	1,238,963	-	1,238,963	1,131,293

Comparative

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Bath & North East Somerset Council:			
Children's Centre Contract Funding	-	-	-
BOP	200,000	-	200,000
Social Services: CHIF	63,931	-	63,931
Other grant funding	1,350	-	1,350
Other revenue funding	6,055	-	6,055
Total Revenue Funding	271,336	-	271,336
Nursery Fees & Related Funding:			
Early Years Entitlement	442,604	-	442,604
Nursery fees charged to parents	397,689	-	397,689
Early Years Pupil Premium	19,664	-	19,664
	859,957	-	859,957
Total income from charitable activities	1,131,293	-	1,131,293

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 7) £	Totals £
Charitable Activities	<u>1,227,512</u>	<u>8,362</u>	<u>1,235,874</u>

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Direct Costs:				
Employment costs	853,909	74,801	928,710	928,734
Catering costs	39,362	-	39,362	45,857
Staff costs (training costs, expenses etc.)	14,184	-	14,184	9,624
Special Projects: Direct Costs	8,858	62,620	71,478	41,582
Service costs	25,465	-	25,465	19,918
Bad debts - fees written off.	9,017	-	9,017	1,250
Total Direct Costs	950,795	137,421	1,088,216	1,046,965
Overheads:				
Premises costs	59,739	-	59,739	74,302
Administrative costs	15,907	-	15,907	24,363
Information Technology costs	26,383	-	26,383	19,626
Depreciation charges	37,267	-	37,267	36,393
Support costs (See note 7)	8,362	-	8,362	7,903
Total Overhead Costs	147,658	-	147,658	162,587
Total Costs of Charitable activities	1,098,453	137,421	1,235,874	1,209,552

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

6. CHARITABLE ACTIVITIES COSTS

Comparative

	Direct Costs £	Support costs (see note 7) £	Totals £
Charitable	<u>1,201,649</u>	<u>7,903</u>	<u>1,209,552</u>

	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Direct Costs:			
Employment costs	928,734	-	928,734
Catering costs	45,857	-	45,857
Staff costs (training costs, expenses etc.)	9,624	-	9,624
Value of subsidies granted to parents	-	-	-
Special Projects: Direct Costs	9,442	32,140	41,582
Service costs	19,918	-	19,918
Bad debts - fees written off.	1,250	-	1,250
Total Direct Costs	1,014,825	32,140	1,046,965
Overheads:			
Premises costs	74,302	-	74,302
Administrative costs	24,363	-	24,363
Information Technology costs	19,626	-	19,626
Depreciation charges	18,093	18,300	36,393
Total Overhead Costs	136,384	18,300	154,684
Total Costs of Charitable activities	1,151,209	50,440	1,201,649

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

7. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Charitable Activities	<u>1,656</u>	<u>6,706</u>	<u>8,362</u>

Comparative

	Finance	Governance costs	Totals
	£	£	£
Charitable	<u>2,853</u>	<u>5,550</u>	<u>7,903</u>

8. NET INCOME/(EXPENDITURE)

Net Income/(expenditure) is stated after charging/(crediting):

	31.3.21	31.3.20
	£	£
Auditors' remuneration	5,650	5,550
Depreciation - owned assets	37,268	36,394
Other operating leases	<u>6,389</u>	<u>6,845</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustee's remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

No remuneration or expenses were paid during the year to any of the trustees (2020:£Nil). Two Trustees have children in a children's centre nursery, they paid the full rate for all services used and so received no benefit as result of their role as Trustees.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

10. STAFF COSTS

	31.3.21	31.3.20
	£	£
Wages and salaries	845,135	849,260
Social security costs	47,384	44,075
Other pension costs	<u>36,191</u>	<u>35,400</u>
	<u>928,710</u>	<u>928,735</u>

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

	31.3.21	31.3.20
Delivery of Children's & Family Services	39	40
Management and Administration	<u>3</u>	<u>4</u>
	<u>42</u>	<u>44</u>

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

The key management personnel of the charity comprise of the trustees, Chief Executive Office, Finance and Administration Manager, and Children's Services Managers for Twerton, Moorlands and BOP. The total employee benefits of the key management personnel of the Trust were £161,806. (2020; £155,989).

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Designated Fixed Asset Reserve Fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	23,309	-	25,679	48,988
Charitable activities				
Charitable Activities	1,131,293	-	-	1,131,293
Other trading activities	27,148	-	-	27,148
Investment Income	573	-	-	573
Total	1,182,323	-	25,679	1,208,002
EXPENDITURE ON				
Charitable activities				
Charitable Activities	1,159,112	-	50,440	1,209,552
NET INCOME/(EXPENDITURE)	23,211	-	(24,761)	(1,550)
Transfers between funds	(848,743)	1,453,791	(605,048)	-
Net movement in funds	(825,532)	1,453,791	(629,809)	(1,550)
RECONCILIATION OF FUNDS				
Total funds brought forward	984,716	-	708,499	1,693,215
TOTAL FUNDS CARRIED FORWARD	159,184	1,453,791	78,690	1,691,665

12. TAXATION

First Steps (Bath) is a registered charity and accordingly is exempt from taxation on its income and capital gains, provided certain conditions are met.

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

13. TANGIBLE FIXED ASSETS

	Leasehold Property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2020	1,721,954	111,511	10,261	1,843,726
Additions	<u>-</u>	<u>2,550</u>	<u>-</u>	<u>2,550</u>
At 31 March 2021	<u>1,721,954</u>	<u>114,061</u>	<u>10,261</u>	<u>1,846,276</u>
DEPRECIATION				
At 1 April 2020	274,099	108,577	7,259	389,935
Charge for year	<u>33,970</u>	<u>734</u>	<u>2,564</u>	<u>37,268</u>
At 31 March 2021	<u>308,069</u>	<u>109,311</u>	<u>9,823</u>	<u>427,203</u>
NET BOOK VALUE				
At 31 March 2021	<u>1,413,885</u>	<u>4,750</u>	<u>438</u>	<u>1,419,073</u>
At 31 March 2020	<u>1,447,855</u>	<u>2,934</u>	<u>3,002</u>	<u>1,453,791</u>

14. STOCKS

	31.3.21 £	31.3.20 £
Stocks	<u>1,299</u>	<u>2,156</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21 £	31.3.20 £
Trade debtors	157,619	35,771
Prepayments and accrued income	<u>74,087</u>	<u>8,406</u>
	<u>231,706</u>	<u>44,177</u>

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade creditors	11,674	12,738
Social security and other taxes	11,508	17,021
Other creditors	32,846	31,989
Accruals and deferred income	-	15,000
	<u>56,028</u>	<u>76,748</u>

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.21	31.3.20
	£	£
Within one year	1,547	742
Between one and five years	<u>2,331</u>	<u>742</u>
	<u>3,878</u>	<u>1,484</u>

18. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	Transfers between funds	At 31.3.21
	£	£	£	£
Unrestricted funds				
General fund	159,184	210,370	(2,549)	367,005
Designated Fixed Asset Reserve	<u>1,453,791</u>	<u>(37,267)</u>	<u>2,549</u>	<u>1,419,073</u>
	1,612,975	173,103	-	1,786,078
Restricted funds				
Subsidised Meals	-	1,811	-	1,811
BOP	77,692	9,389	-	87,081
Partnership With Parents	518	-	-	518
Moorlands Decoration	480	(98)	-	<u>382</u>
	<u>78,690</u>	<u>11,102</u>	<u>-</u>	<u>89,792</u>
TOTAL FUNDS	<u>1,691,665</u>	<u>184,205</u>	<u>-</u>	<u>1,875,870</u>

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,271,556	(1,061,186)	210,370
Designated Fixed Asset Reserve	-	(37,267)	(37,267)
	<u>1,271,556</u>	<u>(1,098,453)</u>	<u>173,103</u>
Restricted funds			
Subsidised Meals	13,757	(11,946)	1,811
BOP	12,700	(3,311)	9,389
Moorlands Decoration	-	(98)	(98)
Xmas toys/books	2,000	(2,000)	-
Panto/Sensory play	3,986	(3,986)	-
Home Learning	4,072	(4,072)	-
Covid related grants	77,851	(77,851)	-
Julia Rausing Sustainability	34,157	(34,157)	-
	<u>148,523</u>	<u>(137,421)</u>	<u>11,102</u>
TOTAL FUNDS	<u>1,420,079</u>	<u>(1,235,874)</u>	<u>184,205</u>

The funds of the charity include restricted funds comprising of the following donations and grants

Revenue Funding

These fundraising grants made to the charity for specific purposes, as follows; any unspent balance is carried forward at the end of the financial year:

- **Free Meals** – to fund a meals for children from low income families
- **Children with SEN** – to help support children with special educational needs within the nurseries
- **Xmas Fund** – to decorate the nurseries and provide presents to children
- **Corona Recovery fund** – to support the nurseries with reduced income
- **Sustainability Grant** – to ensure all services could continue to run on reduced income
- **Home Learning** – to provide home learning materials/packs for families
- **Panto/Summer activities** – to fund a Panto and summer activities

FIRST STEPS (BATH)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

28. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	984,716	23,211	(848,743)	159,184
Designated Fixed Asset Reserve	-	-	1,453,791	1,453,791
	<u>984,716</u>	<u>23,211</u>	<u>605,048</u>	<u>1,612,975</u>
Restricted funds				
Trips & Events	4,216	(4,216)	-	-
Woodhouse Road	312,070	(9,773)	(302,297)	-
Moorlands - Miscellaneous grants	1,652	(1,532)	(120)	-
DFES Early Excellence	127,088	(4,455)	(122,633)	-
New Opportunities Fund	70,823	(2,483)	(68,340)	-
Awards for All Funding	1,620	(57)	(1,563)	-
BOP	84,298	(6,606)	-	77,692
Leadership Learning	1,281	(1,281)	-	-
Moorlands Garden	26,500	4,644	(31,144)	-
Moorlands Rebuild	78,951	-	(78,951)	-
Partnership With Parents	-	518	-	518
Moorlands Decoration	-	480	-	480
	<u>708,499</u>	<u>(24,761)</u>	<u>(605,048)</u>	<u>78,690</u>
TOTAL FUNDS	<u>1,693,215</u>	<u>(1,550)</u>	<u>-</u>	<u>1,691,665</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,182,323	(1,159,112)	23,211
Restricted funds			
Trips & Events	3,000	(7,216)	(4,216)
Subsidised Meals	11,950	(11,950)	-
Woodhouse Road	-	(9,773)	(9,773)
Moorlands - Miscellaneous grants	-	(1,532)	(1,532)
DFES Early Excellence	-	(4,455)	(4,455)
New Opportunities Fund	-	(2,483)	(2,483)
Awards for All Funding	-	(57)	(57)
BOP	-	(6,606)	(6,606)
Leadership Learning	-	(1,281)	(1,281)
Moorlands Garden	7,740	(3,096)	4,644
Partnership With Parents	1,339	(821)	518
Outside Play	1,000	(1,000)	-
Moorlands Decoration	650	(170)	480
	<u>25,679</u>	<u>(50,440)</u>	<u>(24,761)</u>
TOTAL FUNDS	<u>1,208,002</u>	<u>(1,209,552)</u>	<u>(1,550)</u>

FIRST STEPS (BATH)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

19. PENSION COSTS

The charity is a member of The Pension Trust's Defined Contribution Pension Scheme. Contributions made by the charity amounted to £36,869 (2020: £35,400).

Year-end contributions outstanding amounted to £6,407 (2020: £5,975).

20. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 March 2021 there were no capital commitments or contingent liabilities (2020 - none).

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021

