

Charity Registration No. 1150651

Company Registration No. 08353635 (England and Wales)

SMALL STEPS SFP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

SMALL STEPS SFP

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|---|---|-----------------------------|
| Trustees | A Samuelson T Theobalds J Brotherstone MBE M Kelly T Halfhide A Tufano R Sarson D Challinor E Chadd C Lort-Philips | (Appointed 27 January 2022) |
| Charity number | 1150651 | |
| Company number | 08353635 | |
| Registered office and principal office | 17-19 Worples Way Richmond TW10 6DG | |
| Auditor | Citroen Wells Chartered Accountants Devonshire House 1 Devonshire Street London W1W 5DR | |
| Bankers | CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling ME19 4JQ | |

SMALL STEPS SFP

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SMALL STEPS SFP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MAY 2022

The Trustees present their annual report and financial statements for the year ended 31 May 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's articles of association, the Companies Act 2006 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)".

Key Points:

This has been a much better year for Small Steps, though not without its challenges. The year started with a reduced presence in the building with most staff still on part time furlough, and ended with leader/supporter partnerships re-established and increased group capacity back to our previous levels. There is an excellent 'all-hands on deck' positive morale with the ethos of Conductive Education remaining a core value to our group work. We have coped with the disruption of a number of staff changes plus the refurbishment of the Lower Ground Floor (LGF), which has extended the beautifully fit-for-purpose building from two to three floors, unified by a second atrium. We also negotiated the Omicron variant and Small Steps has now successfully completed its first full year in its Worple Way home and is looking forward to an exciting year ahead. We are lucky to have had the consistency and dedication of leadership and as our inspirational Head of Small Steps commented "The light, bright, vibrant environment, with a great staff team, putting families first and staying positively orange is joyful."

Objectives and activities

The charity has only one category of charitable activity as defined by its objective: the relief of need and advancement of education of children who have cerebral palsy or other motor and sensory impairment, and their families, through the provision of classes, activities and advice in a supportive environment. The charity operates from 17-19 Worple Way, Richmond, TW10 6DG (Worple Way).

Traditionally, children are invited to a regular session throughout the academic year, accompanied by a parent or carer, thereby enabling parents/carers to acquire new skills. These can be repeated to assist each child at home, thus increasing the benefits of every session through repetition. All sessions would operate for 2-3 hours on a group basis and include a maximum of 5 children for most groups.

The year started out with various COVID-19 guidelines still in place, including social distancing with zoned spaces and reduced footfall. However, by the end of the year, usual practice had been wholly reinstated. Numbers were back up, as was demand, with the catchment extending further west to include Slough and Farnham. Assessments were once again conducted in the building and face-to-face Parent Evenings resumed.

On 31 May 2021 there were 75 children on roll with a further 18 families waiting. On 31 May 2022 there were 83 children on roll and 20 waiting. Average attendance in the building has remained at 43 families per week (% attendance in groups has varied from 37% to 77% but averages 61%). There are 20 groups a week, only 1 of which is on zoom after it was decided to focus on face-to-face activity in order to get families back.

This year Small Steps marked its 24th birthday and entered its 25th year. Then, as is the complexity of some of the children that access Small Steps, another of our recent graduates died – a most gorgeous little boy full of smiles. The family asked for donations to Small Steps by way of tribute to his memory.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

SMALL STEPS SFP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

Achievements and performance

The ongoing vision of Small Steps is always to maintain its core focus activity - that of delivering structured sessional groups for pre-school disabled children and their parents in a positive supportive environment with a can-do attitude.

The COVID-19 pandemic brought many challenges: ever-evolving COVID-19 contingencies, policies & practices; mask wearing, enhanced cleaning, testing, reduced capacity, essential visitors only, various absences. The whole 'open door, all in it together' ethos of Small Steps was impacted. Simultaneously however the flexing, juggling, resourcefulness, finding solutions, creativity, 'orange' positivity and putting families first stood Small Steps in good stead. Now, all are 'learning to live with it.' The charity has survived and is in a good place, with lots of potential.

Staffing/Training

There were staff changes during the period that included resignations and new appointments. At year-end, staff consisted of five full-time personnel (2021: five) and six part-time (2021: five). The balance has shifted towards more part time working.

Small Steps continued to utilise furlough where necessary until the scheme closed in September 2021. The long-established Marketing and Communications Manager left during the year though continued to support Small Steps on a freelance basis. She has returned to a revised part time role in the coming year. Two new session supporters were employed - the first time that the charity has recruited to such a role.

Small Steps hosted two physiotherapy students on placement, one from Coventry University and one from St. Mary's. Coincidentally the sister of this second student was one of the first Small Steppers back in 1998.

Small Steps also hosted a pro-bono fellow from Sidley Austin LLP during the autumn term. During his fellowship he completed a complementary legal audit of governance, policies and procedures as well as stepping in to be Santa at the children's Christmas party. He also initiated the first draft of a Building Manual.

Training during the period included First Aid and Safeguarding. Two sessions were also facilitated by Trustee Deborah - 'Working Together' and 'Next Steps and Priorities.'

The week of 23 - 27 May just prior to year-end, was set aside as Assessment week in order to address the long waiting list. Subsequent to this, 19 new families joined sessions in the second half of the summer term. Well done the Team for making it happen.

Well done too to Andrea Samuelson, Chair of Trustees. Andrea won 'Trustee of the Year' in Richmond Council's Annual Community Heroes Award – duly recognised for her dedication to Small Steps - going above and beyond the regular call of duty to deliver the highest level of support and assistance within the community. Thank you Andrea.

Parent Support & Holiday Clubs

There was no Summer Club in 2021 nor any Easter Club in 2022.

The Children's Christmas Party was on 10 December 2021 – planned in three tranches and over two floors it was more socially distanced than in previous years, though still very heartfelt and jolly.

Graduate mum and Educational Psychologist Karen Schumacher delivered a 'Coping & Resilience' parent workshop in the autumn term. Attendance was small but those present found it rewarding.

Just after year end, on 7 July 2022, Small Steps hosted parent drinks in the hub which saw an increase in attendance – it was a successful and enjoyable evening.

Visitors

The traditional Small Steps 'open-door policy' began to re-emerge during the period. Small Steps facilitated one week of work experience and hosted DoE students from the local community. There were also several visits by graduate parents coming to see the new building. A long-time friend from 'Very Special Children' in Staffordshire came, as did the CEO of Move'n'Walk Conductive Centre in Sweden. We were also delighted to welcome Sarah Olney MP, Nancy Baldwin Local Councillor and Nick Rogers GLA (Greater London Assembly) Member and many others.

SMALL STEPS SFP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

Premises

Works on refurbishing the Lower Ground Floor began on 1 June 2021, with the same Principal Designer and Contractors as before. The generous donor of the building bore all costs once again. The summer term ended one week early to accommodate the creation of the second atrium. Works were completed such that at the start of the new academic year in September 2021 the whole three-storey building was completed, and Conductive Practice operated across all floors.

Planning Permission for the whole building was submitted to Richmond Council in the spring too. Subsequently after year-end, the Council granted personal permission to the charity to remain at Worple Way across all three floors into perpetuity.

Throughout the period, the challenges and requirements of running a building have been evident. A Building Manual has been created which details information across all areas and is accessible to all. There have been various unanticipated issues across the year including pigeon guano in the lift shaft and sensitive sensors setting off the alarm out of hours. These, along with necessary scheduled maintenance of the building distract core personnel from their essential roles. A comprehensive record of all incidents/requirements is being maintained and at year-end, a Facilities Manager position was being advertised locally.

Fundraising

Small Steps has never had a secured funding stream and relies totally on charitable grants, events and voluntary donations. It costs in excess of £400,000 to run Small Steps for a year. The COVID-19 pandemic affected much of the core community fundraising on which Small Steps relies and there was much uncertainty around when this might resume. Though, resume it eventually did with several previously postponed events taking place and many new endeavours created and completed. Good and longstanding friends and supporters stepped up. This included a parental introduction to Thomas' School Kensington, who chose Small Steps to be their partner charity of the year. This partnership amassed an incredible £115,000 in donations. Some of this money was used to equip the third floor. As last year, the many online platforms facilitated getting funds into the charity from a whole host of various activities, too numerous to list. The year culminated with The Ball.

So many people (friends, relatives, parents, work associates, incredible supporters) who not only help us to provide Small Steps as a free service, but this year, have helped Small Steps to survive. We are so grateful to all who have made donations, including those parents and individuals who continue to make regular donations online as well as to those others who have made significant contributions. Whether small or large, this support is so vital to us.

A special mention must be made of Mia. A graduate of Small Steps herself, Mia has volunteered at the charity once a week this entire year, spoke so eloquently in a video for Thomas' School, was involved in selling cakes at Kew Fete and so much more. She is a credit to herself and to her family.

Financial review

By comparison to last year, this has been a good year with a resulting increase in unrestricted funds (our general reserves) - though these are still lower than they were in 2019. Despite the general economic climate and in the context of post-pandemic reduced community events and no grant from Children in Need, there has been a huge increase in voluntary donations. The new link with Thomas' School for this year is of particular significance. The amount of donations received via on-line giving has continued to rise and now represents 28% of voluntary donations.

Expenditure has been well managed, with staff costs kept under control and the works to refurbish the LGF actioned and completed with the generous donation (restricted) to cover the costs thus spent. Total expenditure is then more than total income as it includes these refurbishment works.

Total reserves are £3,884,042 (last year £3,642,716) but the majority of this consists of the property (and the related maintenance grant) and so is not available to meet ongoing funding requirements. As discussed above, additional work was performed on the property during the year, resulting in a decrease in cash and in an increase in fixed assets. The cash expended was held as restricted funds so has no impact on the general reserve.

SMALL STEPS SFP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

Unrestricted funds are up to £313,102 (2021: £257,759) which represent 106% (2021: 77%) of staff costs. This improvement over the prior year is due to both an increase in unrestricted funds as well as a slight reduction in staff costs for this year. We note, however, that staff and other operating costs going forward are expected to rise next year as the charity aims to meet the needs of more families in its enlarged space.

Despite a good year, the charity, as usual, has no secure funding stream and remains entirely reliant on voluntary donations apart from the property grant. It will have to work harder than ever not to rest on laurels but to raise the profile and access more and varied funding streams.

Risk Management

The Board reverted to its pre-pandemic practice of meeting at least twice each academic term to discuss service delivery, review financial performance against budget and determine the strategic direction of the charity. The Board has established good governance practice that includes effective sub-committees for Finance, Fundraising, Personnel, Premises, Effective Provision and a Salary Review Working Group. The COVID Working Group has been disbanded. The Senior Leadership Team meet weekly.

The Trustees have always been proactive in their response to all risks and have established policies and procedures that are designed to provide reasonable, but not absolute, assurance against them. As good governance dictates, they take advice – including legal – and are constantly reviewing all areas of risk management including Health and Safety and Safeguarding.

Historically, the Trustees have always identified three main risks faced by the charity. Now that the charity has its own permanent home, premises is no longer a risk, though the running of a building does present its own challenges.

The two remaining greatest risks are:

- Funding – obtaining sufficient income to provide for the needs of the charity; and
- Personnel – recruiting and retaining sufficient levels of skilled staff.

Funding will continue to remain a significant risk. The charity has never had an ongoing funding stream, being reliant on ad hoc grants, donations and fundraising. A key focus of the Trustees is to have adequate funding to safeguard its mainstream daily activities and to meet its commitments to the children, parents and its staff. The charity has grown, expenses have increased, there has been a pandemic and the charity does not have a dedicated fundraiser.

This year the Trustees agreed to revise the Reserves Policy from 'sufficient cash reserves to enable the charity's operation to run until at least the end of the next school year' to 6 months: *"Small Steps will have sufficient cash reserves to enable the charity's operation to run for the next six months. This should be calculated each month as available cash reserves divided by last 6 months running costs and noted in the monthly accounts. If Small Steps has insufficient cash reserves then a meeting of Trustees should be convened within a month to discuss what actions can be taken to ensure the long-term sustainability of the charity."* This clarifies the previously variable target whereby reserves required to fund to the end of an academic year reduce as the year progresses.

The risk around personnel is always present, particularly retaining and recruiting sufficient levels of skilled staff. This year two full time Conductors resigned from the charity. Career development opportunities for Conductors are limited by tradition, an issue that affects all CE settings. This matter is very much on the radar of the CEUK (Conductive Education UK Consortium). During the pandemic, the Consortium quite naturally shifted its focus to operations, though now has reverted to consider strategy – with raising the profile of the CE and the Conductor profession very much a priority. NICE (National Institute of Conductive Education) has worked hard to establish excellent training programmes for Conductors/would be Conductors but is reliant on the take-up of said opportunities and of settings in promoting them.

SMALL STEPS SFP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

This year in order to fully staff sessions, for the first time in its history Small Steps recruited to a discrete Session Supporter role. Two people took the position – both p/t – one a graduate mum and one a mature student taking a year out before embarking on a physiotherapy degree course. Small Steps is now looking more seriously at employing individuals to train in house, using the skills of the CE Mentor (CE Lead) and looking anew at opportunities for other personnel. The intention is to train up another Conductor to be a CE Mentor and also to recruit additional Session Supporters and for them to complete the Conductor Assistant training at NICE before continuing to attain full Conductor status.

In addition to recruitment, Small Steps is facing issues around succession planning, particularly for those in pivotal roles who have been involved with the charity for many years.

Future Developments

The ongoing vision of the charity is always to maintain its core focus activity; that of delivering structured sessional groups for young disabled children and their parents in a positive and supportive environment with a can-do attitude. Small Steps is in a good position to be able to continue delivering on this.

In the coming year, Small Steps will seek to do the following:

- Become a Sponsored Employer to facilitate recruitment of non-UK nationals. The charity is aware of individuals who could be recruited into roles at Small Steps if Sponsored Employer Status is achieved.
- Facilitate at least one practitioner to complete Practice Tutor training at NICE (National Institute of Conductive Education) in Birmingham, in order to deliver Level 3 CE training to new staff at Small Steps. The charity is aware that this opportunity will be an incentive to practitioners to develop their careers.
- Recruit additional practitioner staff. The charity is processing applications from a physiotherapist and a session supporter with the intention of securing them both to be able to meet the needs of more families.
- Recruit additional other staff. The charity is advertising for a Facilities' Manager and has agreed a fundraiser job description.
- Accommodate all families waiting for a place at Small Steps – ideally offering something within a 6-week period. At year end there are 20 families waiting for a place at Small Steps. Their wait defeats the object of Small Steps which is being there for families when they first need us. There is the space capacity to accommodate them at Worple Way and additional recruitment should ensure sufficient staffing.
- Secure sufficient funds to ensure running costs are covered for at least one more year – noting that the reserves policy is agreed to be 6 months. The charity will continue to support, encourage and facilitate individual fundraising through its unique Fundraising Strategy.
- Retain links with the Conductive Education Consortium UK (CEUK) – work to refocus and support the group on strategy over operations and to consolidate the national voice for Conductive Education.
- Continue to establish the charity within its Richmond community. The charity recognises the potential of its place within the locality and will seek to strengthen it and in doing so to raise the profile of Small Steps.
- Carried over from last year, the charity will seek to confirm a shared five-year vision for Small Steps.

Structure, governance and management

The charity is a company limited by guarantee from the members and therefore does not have share capital. The liability of the members is limited to £1.

SMALL STEPS SFP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signing the accounts were:

A Samuelson

T Theobalds

J Brotherstone MBE

G Ross-Sampson

(Resigned 14 October 2021)

M Kelly

T Halfhide

A Tufano

R Sarson

D Challinor

E Chadd

C Lort-Phillips

(Appointed 27 January 2022)

The Trustees have the power to appoint new Trustees. They may also be appointed by ordinary resolution at a General Meeting. Either means of appointment is acceptable.

In addition to their responsibilities as directors, Tim Theobalds, Joanna Brotherstone MBE, Tim Halfhide and Becca Sarson are Members of the Company. Anita Coppola MBE is also a member. All the above Trustees also comprise the Management Committee of the charity. The Board delegates the day-to-day management of Small Steps to Anita Coppola MBE, Head of Small Steps.

The Board of Trustees governs Small Steps. Four of the Board are parents of Small Steps children, including Charlie Lort-Phillips. The number of parent users on the Board remains at four (2021: four). This year the Trustees have continued to meet on zoom on the whole.

In addition to the Trustees and staff, Small Steps is truly fortunate to benefit from the hard work of many volunteers who support the charity and its activities. Too numerous to mention, Small Steps would not be the place that it is without them.

Related Parties

Small Steps is an independent charity.

No remuneration was paid to, or expenses reimbursed to any of the Trustees or people connected to them. No transactions were made with Trustees or connected persons other than voluntary unconditional donations to the charity.

The Board of Trustees approved the Trustees' report.

Fundraising statement

The charity's fundraising activities are listed above under Activities and Performance. The charity does not engage in fundraising behaviour proscribed by the Charities Act 2011, section 162A, subsection (2), as amended by the Charities (Protection and Social Investment) Act 2016, namely such activities that are: (a) an unreasonable intrusion on a person's privacy; (b) unreasonably persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the charity; or (c) place undue pressure on a person to give money or other property.

No complaints were received in relation to the charity's fundraising activities.

Auditor

Citroen Wells was re-appointed as auditor to the charity during the period under review.

SMALL STEPS SFP

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE YEAR ENDED 31 MAY 2022***

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The Trustees' report was approved by the Board of Trustees.

A Samuelson

Trustee

Dated: 21 October 2022

SMALL STEPS SFP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MAY 2022

The Trustees, who are also the directors of Small Steps SFP for the purpose of company law, 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).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 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; and
- 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 adequate accounting records that 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 Companies Act 2006. 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.

SMALL STEPS SFP

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SMALL STEPS SFP

Opinion

We have audited the financial statements of Small Steps SFP (the 'charity') for the year ended 31 May 2022 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

SMALL STEPS SFP

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF SMALL STEPS SFP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 charity for the purpose 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. In preparing the financial statements, the Trustees are responsible for assessing the charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those that relate to the reporting framework (FRS 102 as applied in the Charities SORP, the Companies Act 2006 and the Charities Act 2011) and the relevant legislation in the United Kingdom including employment, environmental and health and safety regulations.
- We understood how the charity is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance. We corroborated our understanding by reviewing supporting documentation including Trustee meeting minutes and policy and procedures manuals

SMALL STEPS SFP

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF SMALL STEPS SFP

- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control. We performed journal entry testing by specific risk criteria, with a focus on journals indicating large or unusual transactions based on our understanding of the business. We tested completeness of income through substantive tests performed, analytical review procedures and cut off tests on the revenue recognised.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses and review of Trustee meeting minutes.
- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Citroen Wells

24 October 2022

**Chartered Accountants
Statutory Auditor**

Devonshire House
1 Devonshire Street
London
W1W 5DR

Citroen Wells is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SMALL STEPS SFP

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MAY 2022

| | | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|---|---|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Notes | | | | | | | |
| Income and endowments from: | | | | | | | |
| Donations and legacies | 2 | 390,800 | 288,790 | 679,590 | 316,280 | 585,736 | 902,016 |
| Fundraising events | 3 | 43,802 | - | 43,802 | 5,992 | - | 5,992 |
| Investments - bank interest | 4 | 981 | - | 981 | 1,021 | - | 1,021 |
| Other income | 5 | - | 7,358 | 7,358 | - | 87,920 | 87,920 |
| Total income | | 435,583 | 296,148 | 731,731 | 323,293 | 673,656 | 996,949 |
| Expenditure on: | | | | | | | |
| Raising funds | 6 | 56,214 | - | 56,214 | 37,168 | - | 37,168 |
| Charitable activities | 7 | 324,026 | 110,165 | 434,191 | 284,177 | 172,423 | 456,600 |
| Total expenditure | | 380,240 | 110,165 | 490,405 | 321,345 | 172,423 | 493,768 |
| Net income for the year/ Net movement in funds | | 55,343 | 185,983 | 241,326 | 1,948 | 501,233 | 503,181 |
| Fund balances at 1 June 2021 | | 257,759 | 3,384,957 | 3,642,716 | 255,811 | 2,883,724 | 3,139,535 |
| Fund balances at 31 May 2022 | | 313,102 | 3,570,940 | 3,884,042 | 257,759 | 3,384,957 | 3,642,716 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SMALL STEPS SFP

STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|--|-------|-----------------|------------------|-----------------|------------------|
| Fixed assets | | | | | |
| Property, plant and equipment | 11 | | 3,307,400 | | 2,706,667 |
| Current assets | | | | | |
| Current debtors | 12 | 55,388 | | 31,273 | |
| Cash at bank and in hand | | 541,907 | | 916,703 | |
| | | <u>597,295</u> | | <u>947,976</u> | |
| Current liabilities | 13 | <u>(20,653)</u> | | <u>(11,927)</u> | |
| Net current assets | | | 576,642 | | 936,049 |
| Total assets less current liabilities | | | <u>3,884,042</u> | | <u>3,642,716</u> |
| Income funds | | | | | |
| Restricted funds | 15 | | 3,570,940 | | 3,384,957 |
| Unrestricted funds | | | 313,102 | | 257,759 |
| | | | <u>3,884,042</u> | | <u>3,642,716</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 May 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 21 October 2022

A Samuelson
Trustee

Company Registration No. 08353635

SMALL STEPS SFP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|-----------|-----------|-----------|---------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 18 | | 270,050 | | 521,018 |
| Investing activities | | | | | |
| Purchase of property, plant and equipment | | (645,827) | | - | |
| Proceeds on disposal of investments | | - | | 84,371 | |
| Interest received | | 981 | | 1,021 | |
| | | | | | |
| Net cash (used in)/generated from investing activities | | | (644,846) | | 85,392 |
| | | | | | |
| Net (decrease)/increase in cash and cash equivalents | | | (374,796) | | 606,410 |
| | | | | | |
| Cash and cash equivalents at beginning of year | | | 916,703 | | 310,293 |
| | | | | | |
| Cash and cash equivalents at end of year | | | 541,907 | | 916,703 |

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Charity information

Small Steps SFP is a private company limited by guarantee incorporated in England and Wales. The registered office is at 17-19 Worple Way, Richmond, TW10 6DG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's articles of association, the Companies Act 2006 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 charity is a Public Benefit Entity as defined by FRS 102.

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 been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

As noted in more detail in the Trustees' Report, the unrestricted funds of the charity, which are used for day-to-day charitable activities, are in surplus this year. The Charity's management are monitoring the situation to ensure that the charity can continue to meet its liabilities as they fall due. The Trustees are satisfied that the charity has sufficient cash reserves at the balance sheet date to sustain the expected levels of spending for more than 12 months from the date of approval of the accounts. As a result, the accounts have been prepared on the going concern basis.

1.3 Charitable funds

Unrestricted funds are available to use to further any purpose of the charitable undertaking.

Restricted funds are donated for particular areas of the charity work or to cover particular expenses.

1.4 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income is measured at the fair value of the good or services received and is classified under the following headings:

Donations and gifts

Donations include all income received by the charity that is, in substance, a gift made to it on a voluntary basis. A donation may be used to meet any expense of the charity (unrestricted funds) or may be donated to meet a particular expense of the charity (restricted funds). Donations include:

- donations and gifts made by individuals, trusts and foundations and corporations, including any related tax refund or Gift Aid claimed on gifts made by individuals;
- grants of a general nature provided by government and charitable foundations which are not conditional on delivering certain levels or volumes of a service; and
- donated services and facilities.

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

Donated facilities and services

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

In accordance with the Charities SORP FRS 102, time and services provided by general volunteers are not recognised; refer to the Trustees' Report for more information about their contribution.

Grants

Income from non-government grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Fundraising events

Income from other trading activities includes ticket sales and other income from events organised by or on behalf of the charity.

Investment income

All of the charity's investment income arises from money held in interest bearing bank deposit accounts. The interest income is included when receivable and the amount can be measured reliably by the charity.

1.5 Expenditure

Expenditure 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

Costs of raising funds comprise the costs of encouraging and facilitating the payment of voluntary donations and grants and the costs of organising fund raising events.

Expenditure on charitable activities

Expenditure on charitable activities includes the direct and support costs of delivering the charity's sole category of charitable activity: the relief of need and advancement of education of children who have cerebral palsy or other motor and sensory impairments, and their families, through the provision of classes, activities and advice in a supportive environment.

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

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activity. Support costs include office administration costs and governance costs which support the charity's activity.

These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs have been allocated to cost categories based on the estimated usage of supporting resources and an estimate of staff time spent on each category.

Governance costs comprise primarily the costs of compliance with constitutional and statutory requirements.

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.6 Property, plant and equipment

Purchased tangible fixed assets are initially recorded at cost and donated tangible assets are recorded at fair value. All tangible fixed assets apart from freehold land are depreciated over their estimated economic life.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|-----------------------|------------------------|
| Freehold land | Not depreciated |
| Freehold buildings | 50 years straight line |
| Fixtures and fittings | 20 years straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of non-current 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).

1.8 Cash and cash equivalents

Cash at bank and in hand includes cash and short term highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Financial assets with fixed or determinable payments and fixed maturity dates that the charity has the positive intent and ability to hold to maturity are classified as held to maturity investments. Held to maturity investments are measured at amortised cost using the effective interest method less any impairment, with revenue recognised on an effective yield basis.

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

As a charity, the company is exempt from tax on income and gains falling within tax legislation to the extent that these are applied to its charitable objects. No tax charges have arisen on the company in the year.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Pension costs includes payments made directly to individual defined contribution schemes held by members of staff.

1.13 Government grants

Coronavirus Job Retention Scheme

The Coronavirus Job Retention Scheme (CJRS) results in cash payments from the Government to compensate employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on temporary leave of absence from working for the employer).

The CJRS grant is recognised under the performance method, and is recognised as income on a systematic basis over the periods in which the charity recognises the related costs for which the grant is intended to compensate. As such the income from the grant is recognised on a straight line basis over the furlough period for each relevant employee.

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

2 Donations and legacies

| | Unrestricted funds | Restricted funds | Total 2022 | Total 2021 |
|---------------------------------------|-----------------------|---------------------|----------------|----------------|
| | £ | £ | £ | £ |
| Donations and gifts | 359,400 | 4,790 | 364,190 | 150,018 |
| Grants | - | 284,000 | 284,000 | 678,656 |
| Donated facilities and services | 31,400 | - | 31,400 | 73,342 |
| | <u>390,800</u> | <u>288,790</u> | <u>679,590</u> | <u>902,016</u> |
| For the year ended 31 May 2021 | <u>316,280</u> | <u>585,736</u> | | <u>902,016</u> |

Donated facilities and services

Donated services in the current and prior years include legal services. The charity is grateful to Sidley Austin LLP for their generous provision of pro bono legal services.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

3 Fundraising events

| | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|--------------------|------------------------------------|------------------------------------|
| Fundraising events | <u>43,802</u> | <u>5,992</u> |

4 Investments - bank interest

| | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|---------------------|------------------------------------|------------------------------------|
| Interest receivable | <u>981</u> | <u>1,021</u> |

5 Other income

| | Restricted funds 2022 £ | Restricted funds 2021 £ |
|-------------------|----------------------------------|----------------------------------|
| Government grants | <u>7,358</u> | <u>87,920</u> |

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

6 Raising funds

| | 2022 £ | 2021 £ |
|--|---------------|---------------|
| Fundraising and publicity | | |
| Costs of generating donations and grants | 16,831 | 2,431 |
| Costs of organising fund-raising events | 12,387 | 232 |
| Staff costs | 26,996 | 34,505 |
| | <u>56,214</u> | <u>37,168</u> |

7 Charitable activities

| | 2022 £ | 2021 £ |
|-------------------------------------|----------------|----------------|
| Staff costs | 238,486 | 266,166 |
| Depreciation and impairment | 45,094 | 32,500 |
| Premises costs | 48,767 | 28,755 |
| Other direct charitable expenditure | 19,499 | 4,151 |
| | <u>351,846</u> | <u>331,572</u> |
| Support costs (see note 8) | 64,527 | 98,570 |
| Governance costs (see note 8) | 17,818 | 26,458 |
| | <u>434,191</u> | <u>456,600</u> |
| Analysis by fund | | |
| Unrestricted funds | 324,026 | 284,177 |
| Restricted funds | 110,165 | 172,423 |
| | <u>434,191</u> | <u>456,600</u> |

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

8 Support & governance costs

| | Support costs | Governance costs | 2022 Support costs | Governance costs | 2021 |
|---------------------------------------|---------------|------------------|--------------------|------------------|----------------|
| | £ | £ | £ | £ | £ |
| Staff costs | 25,875 | 5,253 | 31,128 | 30,340 | 35,395 |
| Office and other administration costs | 18,112 | 6,565 | 24,677 | 9,520 | 24,623 |
| Legal and professional fees | 20,540 | - | 20,540 | 58,710 | 58,710 |
| Audit fees | - | 6,000 | 6,000 | - | 6,300 |
| | <u>64,527</u> | <u>17,818</u> | <u>82,345</u> | <u>98,570</u> | <u>125,028</u> |

All support and governance costs have been allocated to the charity's sole charitable activity.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

| | 2022 Number | 2021 Number |
|-----------|----------------|----------------|
| Full time | 5 | 8 |
| Part time | 6 | 2 |
| Total | <u>11</u> | <u>10</u> |

Employment costs

| | 2022 £ | 2021 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 264,339 | 298,131 |
| Social security costs | 21,058 | 24,655 |
| Other pension costs | 11,213 | 13,280 |
| | <u>296,610</u> | <u>336,066</u> |

The average monthly full-time equivalent employees during the year was 8 (2021: 9)

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

10 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

| | 2022 Number | 2021 Number |
|-------------------|-------------------|-------------------|
| £60,000 - £69,999 | - | 1 |
| £70,000 - £79,999 | 1 | - |
| | <u> </u> | <u> </u> |

11 Property, plant and equipment

| | Freehold land & buildings £ | Fixtures and fittings £ | Total £ |
|----------------------------------|-----------------------------------|-------------------------------|-------------------|
| Cost | | | |
| At 1 June 2021 | 2,500,000 | 250,000 | 2,750,000 |
| Additions | 516,662 | 129,165 | 645,827 |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 May 2022 | 3,016,662 | 379,165 | 3,395,827 |
| | <u> </u> | <u> </u> | <u> </u> |
| Depreciation | | | |
| At 1 June 2021 | 26,667 | 16,666 | 43,333 |
| Depreciation charged in the year | 27,750 | 17,344 | 45,094 |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 May 2022 | 54,417 | 34,010 | 88,427 |
| | <u> </u> | <u> </u> | <u> </u> |
| Carrying amount | | | |
| At 31 May 2022 | 2,962,245 | 345,155 | 3,307,400 |
| | <u> </u> | <u> </u> | <u> </u> |
| At 31 May 2021 | 2,473,333 | 233,334 | 2,706,667 |
| | <u> </u> | <u> </u> | <u> </u> |

The prior year balances for fixtures and fittings cost and accumulated depreciation have been restated to more accurately reflect an asset disposal that occurred in the prior year. The cost and accumulated depreciation of the asset were overstated by £3,661 and at 31 May 2021. This restatement did not effect the net book value of fixed assets.

12 Current debtors

| | 2022 £ | 2021 £ |
|--------------------------------|-------------------|-------------------|
| Other receivables | 44,775 | 17,331 |
| Prepayments and accrued income | 10,613 | 13,942 |
| | <u> </u> | <u> </u> |
| | 55,388 | 31,273 |
| | <u> </u> | <u> </u> |

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

13 Current liabilities

| | 2022 | 2021 |
|------------------------------------|---------------|---------------|
| | £ | £ |
| Other taxation and social security | 4,428 | 4,494 |
| Accruals and deferred income | 16,225 | 7,433 |
| | <u>20,653</u> | <u>11,927</u> |

14 Retirement benefit schemes

Defined contribution schemes

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

The charge to income and expenditure in respect of defined contribution schemes was £11,213 (2021 - £13,280).

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | Movement in funds | | | Transfers | Balance at |
|-------------------------|---------------------------|-----------------------|-----------------------|---------------------------|-----------------------|-----------------------|-----------|------------------|
| | Balance at 1 June 2020 | Incoming resources | Resources expended | Balance at 1 June 2021 | Incoming resources | Resources expended | £ | 31 May 2022 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Staff costs | - | 91,256 | (91,256) | - | 7,358 | (7,358) | - | - |
| Provision of classes | 5,243 | 18,500 | (19,588) | 4,155 | 4,000 | (8,155) | - | - |
| Resources and equipment | 24 | 300 | (324) | - | 790 | (790) | - | - |
| Premises costs | 139,290 | 563,600 | (28,755) | 674,135 | 284,000 | (48,768) | (645,827) | 263,540 |
| Donated asset | 2,739,167 | - | (32,500) | 2,706,667 | - | (45,094) | 645,827 | 3,307,400 |
| | <u>2,883,724</u> | <u>673,656</u> | <u>(172,423)</u> | <u>3,384,957</u> | <u>296,148</u> | <u>(110,165)</u> | <u>-</u> | <u>3,570,940</u> |

Staff costs

These funds comprise grants and donations towards specific staff costs for specific periods of time.

Provision of classes

These funds comprise grants and donations towards the running costs of teaching/therapy sessions undertaken by the charity and are for specific periods of time.

Resources and equipment

These funds comprise grants and donations towards the cost of specific items of equipment or resources (such as training sessions and provision of external services) to the charitable activities.

Premises costs

These funds comprise grants and donations towards the maintenance and renovation of the premises in which the charity undertakes its main activities.

Donated asset

These funds comprise the value of the property donated to the charity.

SMALL STEPS SFP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

16 Analysis of net assets between funds

| | Unrestricted funds | Restricted funds | Total |
|--|-----------------------|---------------------|------------------|
| | £ | £ | £ |
| Fund balances at 31 May 2022 are represented by: | | | |
| Property, plant and equipment | - | 3,307,400 | 3,307,400 |
| Net current assets | 313,102 | 263,540 | 576,642 |
| | <u>313,102</u> | <u>3,570,940</u> | <u>3,884,042</u> |

17 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

| | 2022 £ | 2021 £ |
|------------------------|-----------|-----------|
| Aggregate compensation | 70,022 | 65,668 |

Unrestricted donations of £6,965 (2021: £2,120) were made by related parties to the charity during the year.

18 Cash generated from operations

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Surplus for the year | 241,326 | 503,181 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (981) | (1,021) |
| Depreciation and impairment of property, plant and equipment | 45,094 | 32,500 |
| Movements in working capital: | | |
| (Increase) in trade and other receivables | (24,115) | (4,191) |
| Increase/(decrease) in trade and other payables | 8,726 | (9,451) |
| Cash generated from operations | <u>270,050</u> | <u>521,018</u> |

19 Analysis of changes in net funds

The charity had no debt during the year.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.