

COMPANIES HOUSE

REGISTERED COMPANY NUMBER: 06588338 (England and Wales)
REGISTERED CHARITY NUMBER: 1162349

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2017
for
Stepping Stones (Luton)

Hicks and Company
Chartered Accountants
Vaughan Chambers
Vaughan Road
Harpenden
Hertfordshire
AL5 4EE

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COMPANIES HOUSE

Stepping Stones (Luton)

Contents of the Financial Statements
for the Year Ended 31 March 2017

	Page
Report of the Trustees	1 to 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Statement of Financial Position	12 to 13
Notes to the Financial Statements	14 to 19
Detailed Statement of Financial Activities	20 to 21

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2017

The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2017.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

To empower every vulnerable woman that walks through our door with the opportunity and freedom to transform her life and the lives of her children and family.

Vision:

A society where the unique strengths of women are valued as being essential in helping to build healthier and stronger communities.

Mission:

Stepping Stones (Luton) is an innovative woman-centred service that is driven by passion enabling vulnerable women to transform their lives and reach their full potential. We empower and inspire women to make positive choices, creating a better future for themselves, their children, their families and the communities in which they live.

Guiding principles:

Important to Stepping Stones (Luton):

- 1) Gender: A service that acknowledges that gender makes a difference.
- 2) Environment: safety, respect and dignity.
- 3) Relationships: policies, practices, and programmes that are relational and promote healthy connections to children, family, significant others and the community.
- 4) Services: Addressing drugs, alcohol, domestic abuse, and antisocial behaviour sometimes demonstrated by the most vulnerable for example, homeless women, and mental health issues through comprehensive, integrated services.
- 5) Socioeconomic status: Providing women with opportunities to improve their socioeconomic conditions.
- 6) Community: To partner with other key lead services in providing support and services to address unmet need and overcome barriers.

Charitable Objects:

Stepping Stones (Luton) objects are for the public benefit and are restricted to the following:

To relieve physical and mental sickness and financial hardship and to promote and preserve good health in particular through the provision of support services of any kind for women and their children and families suffering from drug addiction and substance abuse and who may have offended or re-offended or be victims of domestic abuse, living in Luton or such other parts of Bedfordshire or the United Kingdom as the trustees from time to time may think fit.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2017

Principal areas of work

Since 2008 Stepping Stones (Luton) has been dedicated to helping women and their children reach their potential and create healthier, happier lives.

The charity works with vulnerable women and their children to transform the stumbling blocks of their lives in to Stepping Stones. The charity aims to:

- Improve the health and wellbeing of vulnerable women and their children
- Improve the life prospects of vulnerable women and their children
- Create stronger and more cohesive families

In 2016/17

This year we worked with 795 women and their children, an increase of nearly 60% over the previous year, with 480 new referrals, two thirds of which came from new projects within the year allowing a broader range of services from low volume intensive to high volume short duration activities.

Our largest project was resettlement services in HMP Peterborough which accounted for nearly a third of the Stepping Stones' caseload over the year. These were not all Luton women but came from Bedfordshire, Northamptonshire, Hertfordshire, Essex, London and elsewhere.

Our work with women dealing with abuse, trauma, mental health and issues involving social care was funded by London Luton Airport (LLAL) but this was reduced by 25% for 2016/17. We minimised service reductions but incurred increased caseloads and pressure on the team. We tightened our assessment of referrals on initial contact with Stepping Stones, and where a woman only sought help on a single issue, for example housing, we were able to signpost to a more appropriate agency. In 2017/18 we will strengthen our recording of these pathways to ensure we fully understand demand for our services and our links with other partners.

Domestic abuse continues to be a major cause of women seeking help affecting 82% of clients in 2016/17. Demand for help with substance misuse reduced, but support relating to mental health need, finance and debt increased. We also supported more women whose children were on child protection or child in need plans.

For many women, childcare services were critical to enable them to attend appointments with us or with other professionals in the year. This became apparent when Stepping Stones was shut for six weeks whilst urgent work was undertaken to repair the central heating boiler. Whilst other services could be relocated, childcare could not safely and appropriately be moved elsewhere. This significantly limited the opportunity for some clients to attend. During the year 91 women used the childcare facilities, and 1,043 individual childcare morning or afternoon sessions were provided. This represents a reduction on 2015/16 (from 128 women and 1,997 sessions), which was influenced by a combination of three factors:

- Reduced staffing and subsequent limits on capacity,
- Closure during January 2017 as our boiler was replaced and
- Parenting programmes ceasing as funding ended in early 2016 until new Flying Start programmes (for 0 - 5 year old children) commenced in March 2017.

Public benefit

The Trustees are aware of the Charity Commission's guidance on public benefit including the guidance 'public benefit: running a charity'. As explained further in the Achievements and Performance section set out below the Company has addressed the activities undertaken in relation to its objects and their relationship to addressing the public benefit.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2017

ACHIEVEMENTS AND PERFORMANCE

Achievements and Performance

2016/17 has been a year of consolidation in our finances. Our bids have been well targeted and some significant and previously untapped support has enabled us to develop our service offer knowing that our income and reserves are well founded.

During 2016/17 the following services were provided:

<u>Programme</u>	<u>Women participating</u>
One to one in the community	445
One to one in HMP Peterborough	207
The Freedom programme in the community	81
The Freedom programme in HMP Peterborough	33
Beyond Anger group programme	23
Beyond Trauma group programme	32
Counselling	15
Mellow parenting programmes	16
Strengthening Families Strengthening Communities group programme	12

During 2016/17 we have developed:

Women's Diversion Scheme, Funded by Youturn Futures, originally from the Bedfordshire Police & Crime Commissioner (PCC) with the aim of diverting low level offenders to Stepping Stones for three mandatory sessions and follow up support. 93% of women diverted completed and did not receive a criminal conviction. This continues in 2017/18 with a wider brief to support any women in Bedfordshire in contact with criminal justice agencies or on the margins of criminality.

Stepping Out funded by Bedfordshire PCC. This was a small scale pilot delivering outreach support to women in Central Bedfordshire. This informed and supported a successful bid to the Tampon tax, with ongoing provision in this area being funded from the autumn of 2017 for three years.

HMP Resettlement funded by The Bedfordshire, Northamptonshire, Cambridgeshire and Hertfordshire Community Rehabilitation Company (BeNCH CRC) within our existing contract to support our BeNCH community targets in 2016/17. After internal discussions we have decided not to continue this work beyond July 2017. The arrangement included senior staff travel from Luton to give management support, and the contract was too limited to provide effective "through the gate" services in one brief session prior to discharge.

Pathways project funded by the Home Office. Working in partnership with Bedfordshire Police, Practive and Community Safety Partnerships in Luton and Central Bedfordshire aiming to offer proactive support to women identified as being on a pathway into organised crime. The project ceased after the pilot stage but we gained learning and progressed information sharing with the police.

Flying Start Building on our experience of supporting mums to build parenting skills and confidence, we have been funded by Pre-School Learning Alliance to deliver a range of Flying Start parenting programmes, which we match fund through our LLAL funding. This means we will continue to deliver Mellow Parenting programmes and at the end of 16/17 began to roll out additional programmes including Nurture and Peep.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2017

Ongoing Services:

Luton Projects (funded by LLAL): Services for women who are victims of abuse, substance misusers, at risk of offending, have mental health challenges and/or are involved in children's social care. LLAL enables us to deliver a range of what we regard as our 'core' services, including:

- Childcare (crisis & booked appointments, baby massage/yoga, stay and play, supervised contact)
- One to one key work
- Counselling
- Anger, Freedom and Trauma group programmes

BeNCH Womankind provision for women on orders and licences in Luton and the South area of Central Bedfordshire. This provision encompasses:

- Dedicated one to one support
- Choices group programme - this was refreshed within the year by the team, with real improvements in attendance and reduced attrition rates.
- Access to other Luton based services.

The Freedom Programme has continued to run on an open/rolling basis throughout the year in 2016/17 with high demand for places reaching capacity. It often acts as a 'gateway' service for new clients as they begin to understand and reflect about their situation and get to know us as an organisation.

In 2017/18 our new PCC funding with matching LLAL funding, will enable us to deliver an additional programme on a weekly basis to meet this demand. A new Freedom outcomes tool was developed and piloted in 2016/17.

All women who spoke to us told us they are now better able to identify positive choices. We were also pleased to see the majority of women reporting feeling more confident, understanding local services and particularly being better able to protect themselves and their children. We will now embed the tool routinely in delivery of the programme.

Freedom Follow up Outcomes

	<u>% better</u>	<u>% much better</u>
My self-confidence and sense of feeling better about myself is...	80	35
My ability to understand my feelings and emotions is...	63	32
My stress is...	63	11
My ability to identify positive choices in my life is...	100	26
My confidence that I now can protect myself and my children better is...	95	84
My feelings that I am supported are...	68	63
My ability to share experience and trust and support other women is....	79	53
My knowledge of local services and how they can support me....	89	68
My understanding of what has happened to me in the last couple of years is...	84	63
My understanding of how my children are affected by what has happened to me in the last couple of years is....	95	84

Beyond Trauma Programme On average clients commencing the programme self-reported emotional wellbeing well below levels that would be expected within the general population. 83% of women completing the programme showed a self-reported improvement in wellbeing. By the end of the programme average levels of well-being for both programmes run in the year were in line with wellbeing levels for the general population.

We are reviewing the possibility of applying measures to understand the impact of not completing the course.

Beyond Anger Women starting Beyond Anger in 2016/17 reported more problems regulating their emotions in comparison with clients starting programmes in 2014/15 and 2015/16. As a relatively small sample set it is difficult to understand what's caused this and whether the change is a random fluctuation or is as a result of different targeting and referral patterns for the programme.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2017

As we would have expected there was a greater improvement between the commencement and midway reporting in comparison to commencement and completion. We recognise that for some women completion can be a stressful time in itself. Our key workers work closely with group facilitators to ensure clients are supported through these transition points appropriately.

Mellow We updated the outcomes tools we use to measure impact on Mellow part way through the year to reflect our move to align provision with Luton's Flying Start framework. The change in outcomes measuring means we cannot make useful comparisons though parenting confidence improvements did meet the required standard of change.

One to one support. This remains the hardest service element for us to record and report on. There is still some quite considerable work to do to develop this area, which will be continuing in 2017/18 as we explore moving to a new case management system.

Broad outcomes for women support in the community include:

- 89 women in the community supported to ensure they have a strategy to reduce their risk regarding domestic abuse in place
- 49 women were supported to leave a relationship
- 15 obtained paid employment and three took voluntary positions
- 61 commenced courses
- 96 had better emotional wellbeing, felt more confident, less stressed and were hopeful for the future
- 23 were supported to meet accommodation goals
- 31 had positive outcomes regarding involvement with Children's Social care

Services Withdrawn in the Year:

We ceased delivery of Strengthening Families programmes preferring to realign programmes in keeping with Luton's prioritisation of Flying Start.

We also ceased delivery of our Women in Recovery programme recognising it may not be suitable for a number of substance misuse clients. Specialist services for females misusing drugs will be provided from April 2017 through Change, Grow, Live (CGL) through Luton Borough Council Public Health funded provision. Women who misuse substances remain welcome to attend all and any of our services and we will be working closely with CGL moving forward to ensure women receive the best package of support possible.

Client Outcomes:

Following a review in 2016 by an external consultant we launched outcomes tools across our services. This is in development, particularly with regards to measuring impact of one to one work and childcare provision.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2017

Operational challenges during the year 2016/17

- A boiler breakdown in the coldest part of winter led to the closure of our building for six weeks. Women's services were relocated but this was not possible for childcare meaning that some women were unable to attend. This also identified lack of infrastructure (laptops, mobile phones) to enable smarter working. This will be reviewed in 2017/18 in support of the Business Continuity Plan.
- There has been considerable uncertainty and increased management workload to prepare for changes to our BeNCH contract as part of wider Sodexo/BeNCH supply chain reviews. Whilst we welcome changes to the Sodexo Indirect Spend Project Accounting (ISPA) and discussions to remodel our individual contract to bring it in line with demand. The delays and uncertainty in the later part of 2016 have been distracting.
- Childcare staffing model. This is under review to enable us to continue with the provision in a way which meets requirements of the service, financial implications and a sustainable staffing model.
- Ongoing pressure of one year funding.

Business Development and Fundraising

We were successful in obtaining funding to deliver new parenting and criminal justice focused projects, which build on our specialisms and support our sustainability strategy.

In addition we made successful applications for funding, where we will see the impact from 2017/18 onwards. These included:

- Comic relief and Tudor Trust - Both have provided us with core funding and are essentially investing in us an organisation. These grants will see us able to strengthen our outcomes approach, roll out a new case management system and associated IT and strengthen our staff training and partnership activity.
- Department for Culture and Media Tampon tax funding to expand our Stepping Out work in Central Bedfordshire. Due to be launched in the autumn of 2017.
- Bedfordshire PCC and YouTurn funded Project Amber. This will broaden the countywide support we offer to all women on the margins of criminality.
- Bedfordshire PCC funding to increase our capacity to provide support to victims of Domestic Abuse. This includes match funding of our current LLAL funded core services as well as a new joint project alongside Bedfordshire Police and the Change programme.
- Within the year we have seen a stronger cash flow and our funding streams become increasingly diversified. Whilst LLAL funding remains absolutely critical for us as an organisation, in our 2016/17 bid writing activity we have worked hard to use this money to help leverage wider sources of funding. For example LLAL funding is now combined with PSLA Flying Start to deliver our parenting programmes and childcare provision and also with PCC funds for domestic abuse and trauma services.

Other achievements in the year

The Trustees were proud to stage a Gala dinner which attracted 150 guests with the objective both of fundraising and widening the reach of the organisation within the local community. Top class entertainment was provided by one of the trustees, a professional singer, who led the evening with her own jazz band, and the night was completed with dancing. Two clients very movingly told their story. It was a most successful evening steered through all stages by another trustee who is a local businesswoman and it has been agreed to make this an annual event.

A new website and branding for the company was launched.

We have continued to develop our partnership working with complementary organisations in Luton.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2017

FINANCIAL REVIEW

Financial position

The Company has for a second consecutive year achieved a good surplus of income over expenditure which is again pleasing in the current funding climate for the sector. During the year the Company continued to deliver its service agreement contract with BeNCH which continues to provide funding for ongoing work with women offenders. In addition, a donation was made by London Luton Airport Limited providing funding to 31 March 2017 in respect of our key work with vulnerable women in Luton and significant grants were received from The Pre-School Learning Alliance and the Bedfordshire Police and Crime Commissioner.

Although total income for 2017 was lower than 2016, operational costs were also lower which accompanied by a continued tight control on expenditure has resulted in a surplus of funds for 2017 of £44,645, an increase of £8,043 on the previous year.

Reserves policy

The current reserves policy of the Company aims to keep between 20% and 25% of operating costs as reserves (excluding those relating to restricted income funds, endowment funds, tangible assets held for the Company's use and amounts designated for essential future spending) to ensure that the Company can continue to operate in the short term should it suffer an unexpected fall in incoming funds. At the balance sheet date the Company held £112,160 in reserves under the above definition, which represents 28.9% of operating costs for the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Stepping Stones (Luton) is a company limited by guarantee governed by its Memorandum and Articles of Association dated 8 June 2015. It is registered as a charity with the Charity Commission. The maximum contribution required by members of the company is an amount not exceeding £1 in the event of the company being wound up. The Company was originally incorporated on 8 May 2008 as a Community Interest Company and passed a special resolution on 8 June 2015 to convert to a Charitable Company.

Appointment of trustees

New Trustees are appointed by a majority ballot of the existing Trustees or by ordinary resolution of the members in general meeting. New Trustees appointed by the existing Trustees only hold office until the next AGM at which time they may seek re-appointment. One third of the Trustees retire from office by rotation at each AGM following the first AGM and may seek re-appointment.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06588338 (England and Wales)

Registered Charity number

1162349

Registered office

9a George Street West
Luton
Bedfordshire
LU1 2BW

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2017

Company Trustees and Directors

The directors of the charitable company are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Mrs Margaret Simons (Chairman)	
Mr Simon Murray (Treasurer)	
Mrs Shirley Connor	
Ms Valma James	- appointed 18.7.16
Mrs Cheryl Beckles	
Mrs Niki Toffis	
Mrs Cheryl Alleyne	- appointed 8.5.17

Company Secretary

Mr Simon Murray

Independent examiner

Philip Dean, FCA Member of the
Institute of Chartered Accountants in England & Wales
Hicks and Company
Chartered Accountants
Vaughan Chambers
Vaughan Road
Harpenden
Hertfordshire
AL5 4EE

Patron

Mr Gavin Shuker MP (Luton South)

Bankers

Barclays Bank Plc
28 George Street
Luton
Bedfordshire
LU1 2AE

MANAGEMENT TEAM

Ms Katie Morgan (Chief Executive Officer)
Ms Karrina Usher (Manager Women's Services)
Ms Linda Rogers (Manager Children's Services)

Stepping Stones (Luton)

Report of the Trustees
for the Year Ended 31 March 2017

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Stepping Stones (Luton) for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by order of the board of trustees on 10 July 2017 and signed on its behalf by:



Mrs Margaret Simons (Chairman) - Trustee

Independent Examiner's Report to the Trustees of
Stepping Stones (Luton)

I report on the accounts for the year ended 31 March 2017 set out on pages eleven to nineteen.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Institute of Chartered Accountants in England & Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

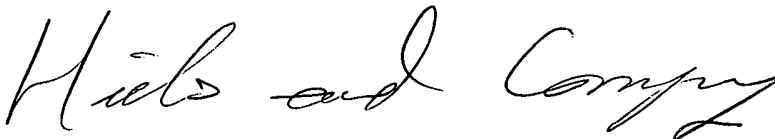
Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Philip Dean, FCA Member of the
Institute of Chartered Accountants in England & Wales
Hicks and Company
Chartered Accountants
Vaughan Chambers
Vaughan Road

11 July 2017

Stepping Stones (Luton)

Statement of Financial Activities
for the Year Ended 31 March 2017

	Notes	Unrestricted fund £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	14,077	210,000	224,077	214,283
Charitable activities	3				
Support services for vulnerable women		<u>103,974</u>	<u>109,279</u>	<u>213,253</u>	<u>274,616</u>
Total		118,051	319,279	437,330	488,899
 EXPENDITURE ON					
Raising funds		4,780	6,935	11,715	13,489
Charitable activities					
Support services for vulnerable women		<u>89,576</u>	<u>291,394</u>	<u>380,970</u>	<u>438,808</u>
Total		94,356	298,329	392,685	452,297
 NET INCOME		23,695	20,950	44,645	36,602
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>141,454</u>	<u>56,915</u>	<u>198,369</u>	<u>161,767</u>
 TOTAL FUNDS CARRIED FORWARD		<u>165,149</u>	<u>77,865</u>	<u>243,014</u>	<u>198,369</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Stepping Stones (Luton)

Statement of Financial Position
At 31 March 2017

	Notes	Unrestricted fund £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
FIXED ASSETS					
Tangible assets	8	52,989	-	52,989	69,515
CURRENT ASSETS					
Debtors	9	29,148	24,910	54,058	42,182
Cash at bank and in hand		<u>116,484</u>	<u>129,576</u>	<u>246,060</u>	<u>136,952</u>
		145,632	154,486	300,118	179,134
CREDITORS					
Amounts falling due within one year	10	(33,472)	(76,621)	(110,093)	(50,280)
NET CURRENT ASSETS		<u>112,160</u>	<u>77,865</u>	<u>190,025</u>	<u>128,854</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>165,149</u>	<u>77,865</u>	<u>243,014</u>	<u>198,369</u>
NET ASSETS		<u>165,149</u>	<u>77,865</u>	<u>243,014</u>	<u>198,369</u>
FUNDS	12				
Unrestricted funds:					
General fund				165,149	141,454
Restricted funds:					
Support services for vulnerable women				<u>77,865</u>	<u>56,915</u>
TOTAL FUNDS				<u>243,014</u>	<u>198,369</u>

The notes form part of these financial statements

Stepping Stones (Luton)

Statement of Financial Position - continued
At 31 March 2017

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2017.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 March 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

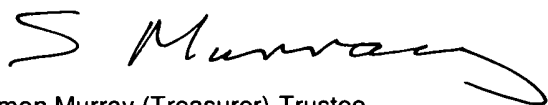
- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 10 July 2017 and were signed on its behalf by:



Mrs Margaret Simons (Chairman)-Trustee



Mr Simon Murray (Treasurer)-Trustee

Stepping Stones (Luton)

Notes to the Financial Statements for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland': the requirements of Section 7 Statement of Cash Flows.

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2015.

Reconciliation of equity: no transitional adjustments were required.

Reconciliation of profit or loss for the year: no transitional adjustments were required.

Income

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:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to them.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Costs of generating funds comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Allocation and apportionment of costs

Costs have either been directly allocated or have been allocated on the basis of the proportion of income to which they relate. Where depreciation is properly chargeable to restricted fund activities, this has also been allocated on the basis of the proportion of income between restricted and unrestricted activities.

Stepping Stones (Luton)

Notes to the Financial Statements - continued for the Year Ended 31 March 2017

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 10% on cost
Fixtures & equipment	- 25% on cost

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	31.3.17	31.3.16
	£	£
Donations	212,686	214,283
Income from annual dinner	9,257	-
Donated services	2,134	-
	<u>224,077</u>	<u>214,283</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	31.3.17	31.3.16
	£	£
Service agreement	103,974	63,366
Grants	109,279	211,250
	<u>213,253</u>	<u>274,616</u>

Stepping Stones (Luton)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

3. INCOME FROM CHARITABLE ACTIVITIES - continued

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

	31.3.17	31.3.16
	£	£
LBC Public Health	-	93,300
BeNCH	-	65,294
Bedfordshire Pre-School Learning Alliance	14,107	33,641
Bedfordshire Police Crime Commissioner	70,690	15,065
Big Lottery	-	2,450
Central Bedfordshire Age Grant	-	1,500
HMP Peterborough	2,684	-
SOC Pathways Grant	21,798	-
	<u>109,279</u>	<u>211,250</u>

4. NET INCOME/(EXPENDITURE)

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

	31.3.17	31.3.16
	£	£
Depreciation - owned assets	16,526	17,696
Hire of plant and machinery	5,664	4,901
Independent Examiner's remuneration	<u>2,500</u>	<u>2,500</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

Trustees' expenses

Expenses totalling £322 (2016: £528) were paid for 6 (2016: 4) Trustees in respect of training costs during the year ended 31 March 2017.

Stepping Stones (Luton)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

6. STAFF COSTS

	31.3.17	31.3.16
	£	£
Wages and salaries	256,241	319,666
Social security costs	17,918	21,187
Other pension costs	593	-
	<u>274,752</u>	<u>340,853</u>

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

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

	31.3.17	31.3.16
	14	16
Support services for vulnerable women	<u>14</u>	<u>16</u>

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

The employee benefits of key management personnel for the company were £86,999 (2016: £89,066).

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,283	210,000	214,283
Charitable activities			
Support services for vulnerable women	<u>63,366</u>	<u>211,250</u>	<u>274,616</u>
Total	67,649	421,250	488,899
EXPENDITURE ON			
Raising funds	-	13,489	13,489
Charitable activities			
Support services for vulnerable women	<u>87,899</u>	<u>350,909</u>	<u>438,808</u>
Total	87,899	364,398	452,297
NET INCOME	(20,250)	56,852	36,602
Transfers between funds	(63)	63	-
Net movement in funds	(20,313)	56,915	36,602
RECONCILIATION OF FUNDS			
Total funds brought forward	161,767	-	161,767
TOTAL FUNDS CARRIED FORWARD	<u>141,454</u>	<u>56,915</u>	<u>198,369</u>

Stepping Stones (Luton)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

8. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures & equipment £	Totals £
COST			
At 1 April 2016 and 31 March 2017	<u>124,248</u>	<u>28,669</u>	<u>152,917</u>
DEPRECIATION			
At 1 April 2016	59,018	24,384	83,402
Charge for year	<u>12,424</u>	<u>4,102</u>	<u>16,526</u>
At 31 March 2017	<u>71,442</u>	<u>28,486</u>	<u>99,928</u>
NET BOOK VALUE			
At 31 March 2017	<u>52,806</u>	<u>183</u>	<u>52,989</u>
At 31 March 2016	<u>65,230</u>	<u>4,285</u>	<u>69,515</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17 £	31.3.16 £
Trade debtors	40,960	25,346
Other debtors	2,300	-
Prepayments	<u>10,798</u>	<u>16,836</u>
	<u>54,058</u>	<u>42,182</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.17 £	31.3.16 £
Trade creditors	6,610	5,896
Social security and other taxes	17,480	20,541
Other creditors	20,934	20,752
Accruals and deferred income	<u>65,069</u>	<u>3,091</u>
	<u>110,093</u>	<u>50,280</u>

11. LEASING AGREEMENTS

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

	31.3.17 £	31.3.16 £
Within one year	20,659	20,513
Between one and five years	60,234	78,230
In more than five years	-	2,663
	<u>80,893</u>	<u>101,406</u>

Stepping Stones (Luton)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2017

12. MOVEMENT IN FUNDS

	At 1.4.16 £	Net movement in funds £	At 31.3.17 £
Unrestricted funds			
General fund	141,454	23,695	165,149
Restricted funds			
Support services for vulnerable women	56,915	20,950	77,865
TOTAL FUNDS	<u>198,369</u>	<u>44,645</u>	<u>243,014</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	118,051	(94,356)	23,695
Restricted funds			
Support services for vulnerable women	319,279	(298,329)	20,950
TOTAL FUNDS	<u>437,330</u>	<u>(392,685)</u>	<u>44,645</u>

Purpose of restricted funds:

The restricted funds are held and applied for the overall objects of the company. Due to the complex needs of all service users, it is not possible to allocate income and costs to specific services provided by the company.

13. RELATED PARTY DISCLOSURES

No trustee or any other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year or the previous year save as a potential beneficiary of the charity in the normal course of its activities.

14. ULTIMATE CONTROLLING PARTY

In the opinion of the trustees, there was no controlling party during the year.

15. GENERAL INFORMATION

The company is a private company registered in England and Wales. It is limited by guarantee and has no share capital. In the event of a winding up, every member has undertaken to contribute a sum not exceeding £1. The company's registered number and registered office address can be found in the Report of the Trustees.

Stepping Stones (Luton)

Detailed Statement of Financial Activities
for the Year Ended 31 March 2017

	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	2,686	210,000	212,686	214,283
Income from annual dinner	9,257	-	9,257	-
Donated services	<u>2,134</u>	<u>-</u>	<u>2,134</u>	<u>-</u>
	<u>14,077</u>	<u>210,000</u>	<u>224,077</u>	<u>214,283</u>
Charitable activities				
Service agreement	103,974	-	103,974	63,366
Grants	<u>-</u>	<u>109,279</u>	<u>109,279</u>	<u>211,250</u>
	<u>103,974</u>	<u>109,279</u>	<u>213,253</u>	<u>274,616</u>
Total incoming resources	<u>118,051</u>	<u>319,279</u>	<u>437,330</u>	<u>488,899</u>
EXPENDITURE				
Raising donations and legacies				
Salaries	-	-	-	7,395
Social security	-	-	-	490
Consultancy fees	-	6,935	6,935	5,604
Annual dinner expenses	<u>4,780</u>	<u>-</u>	<u>4,780</u>	<u>-</u>
	<u>4,780</u>	<u>6,935</u>	<u>11,715</u>	<u>13,489</u>
Charitable activities				
Salaries	55,542	200,699	256,241	306,594
Social security	3,884	14,034	17,918	20,321
Pensions	128	465	593	-
Agency costs	410	1,257	1,667	3,480
Staff training	1,027	3,149	4,176	1,750
Recruitment costs	238	727	965	617
DBS costs	132	407	539	721
Refreshments & canteen expenses	623	1,911	2,534	3,982
Consultancy fees	-	-	-	4,756
Travel expenses	1,233	3,780	5,013	1,801
Supervision costs	989	3,031	4,020	7,796
Materials	341	1,046	1,387	652
Service user support expenses	262	804	1,066	1,831
Venue hire	-	130	130	-
Accountancy	4,884	-	4,884	2,654
Trustee expenses	<u>322</u>	<u>-</u>	<u>322</u>	<u>528</u>
	<u>70,015</u>	<u>231,440</u>	<u>301,455</u>	<u>357,483</u>

This page does not form part of the statutory financial statements

Stepping Stones (Luton)

Detailed Statement of Financial Activities
for the Year Ended 31 March 2017

	Unrestricted funds £	Restricted funds £	31.3.17 Total funds £	31.3.16 Total funds £
Support costs				
Other				
Administration salaries	-	-	-	5,677
Social security	-	-	-	376
Equipment leasing	1,394	4,270	5,664	4,901
Advertising	59	181	240	-
Rent & parking payable	4,624	14,173	18,797	17,652
Rates & water rates	330	1,011	1,341	1,037
Insurance	1,178	3,613	4,791	4,653
Telephone	1,098	3,366	4,464	4,047
Printing, postage & stationery	563	1,726	2,289	4,368
Repairs, renewals & alterations	1,720	5,274	6,994	3,118
Light & heat	892	2,736	3,628	5,079
Computer & software expenses	758	2,325	3,083	1,477
Professional fees	453	1,389	1,842	2,336
Consultancy fees	147	452	599	1,554
Refuse collection & cleaning	532	1,633	2,165	3,376
Sundry project costs	50	154	204	1,075
Sundry expenses	232	700	932	551
Irrecoverable VAT	1,465	4,488	5,953	2,352
Depreciation of short leasehold	3,056	9,368	12,424	12,424
Depreciation of fixtures & equipment	1,009	3,093	4,102	5,272
Bank interest	1	2	3	-
	<u>19,561</u>	<u>59,954</u>	<u>79,515</u>	<u>81,325</u>
Total resources expended	94,356	298,329	392,685	452,297
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net income	<u>23,695</u>	<u>20,950</u>	<u>44,645</u>	<u>36,602</u>