

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 2019
for
Stepping Stones (Luton)

Stepping Stones (Luton)

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for the Year Ended 31 March 2019

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Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2019

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 2019.

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 2019

OBJECTIVES AND ACTIVITIES

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 into 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

2018/19 Summary

This year we worked with 576 vulnerable women, this is an increase from last year (486) which is most likely due to extending the outreach services. We have delivered 8,166 hours over the course of the year. There has been only limited change in relation to the needs and vulnerabilities that the women are presenting with. The highest needs are in the areas of safety (92%), children (88%), education training and employment (86%) and social networks (87%). We have seen an increase in the amount of reported domestic abuse. 79% of our clients report being a victim of domestic abuse either currently or previously. This is an increase from 70% of clients last year.

We continue to get referrals from a variety of sources - Probation, Children's Services and the Police being our biggest referrers. We have seen an increase in self referrals; these have almost doubled in the last year. We believe this is as a result of promoting ourselves in the local area.

We have continued to make childcare facilities available for our clients. Across the year, 165 children accessed this service attending 1721 sessions. This is another increase upon last year, evidencing the ongoing and increasing need for such a facility. We are immensely proud of this facility and the impact this has on women being able to access the support on offer.

We have embedded the use of the electronic case management system. We are now able to obtain fuller outcomes data, however, we are aware that we are still learning about its capabilities. For example, we have been able to extend the recording to include numbers around our childcare provision. We have been able to provide funders with accurate timely data to evidence our outcomes and it has strengthened our position in seeking alternative funding sources.

We have undertaken some much needed building and maintenance work, creating more usable spaces, storage for donations and a general refresh.

This year has seen some significant changes in staffing, notably the recruitment of a permanent Head of Service in November 2018 following a period of cover from an Interim Head of Service. We also recruited to 2 new senior practitioner posts with a view to creating a structure to share best practice, improve our links with the local community and develop our service user engagement. We have increased our Trustee numbers resulting in a wide and varied pool of knowledge and expertise to strengthen our governance. We have also recruited a part time Corporate and Community Fundraiser who has been working with the Head of Service to explore community and corporate funding opportunities.

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 2019

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

2018/19 saw a high level of service delivery, evidenced by the increased number of clients, spread across a number of different projects, funded by various contracts and grants.

During 2018/19 the following services were provided (2017/18 figures in brackets):

<u>Programme</u>	<u>Women participating</u>
One to one support	576 (486)
BeNCH (probation)	126 (90)
The Freedom programme	122 (80)
Freedom Forever	21
Beyond Anger	19 (5)
Beyond Trauma	37 (16)
Counselling	19
Mellow and Nurture	55 (25)
Counselling	27 (19)
Art Therapy	8

Services:

Luton Projects (funded by London Luton Airport Limited): Services for women who are victims of abuse, substance misuse, 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, stay and play)
- One to one key work
- Counselling and Art Therapy
- Anger, Freedom and Trauma group programmes

BeNCH (Probation): Provision for women on statutory orders and licences in Luton and the South area of Central Bedfordshire. Referrals come from the Bedfordshire, Northamptonshire, Cambridgeshire and Hertfordshire Community Rehabilitation Company (BeNCH CRC) and the National Probation Service. This provision encompasses:

- Dedicated one to one support
- Access to all other Luton based services including Childcare
- Provision of Unpaid Work female only placements

Flying Start: We have continued to receive funding from the Pre-School Learning Alliance to deliver a range of Flying Start parenting programmes. Over 2018/19, this included 3 Nurture Programmes and 2 Mellow programmes and access to additional training including Five to Thrive.

Some of the positive outcomes from the parenting courses are outlined below:

50% of women said they were better able to understand their child's needs
56% said they were better able to stay calm when their child was misbehaving
56% said they were better able to find ways to avoid conflict
60% said they were better able to get their child to behave without a battle
50% said they felt they were a better parent
50% said they felt they were better at setting boundaries and limits.

The Freedom Programme: The Freedom Programme examines the impact of attitudes and beliefs on the actions of domestic abuse perpetrators and the responses of victims and survivors. It aims to help women make sense of and understand what has happened to them and to have an awareness of the warning signs/tactics of the perpetrator. We have continued to run this on an open/rolling basis throughout the year with high demand for places reaching capacity.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2019

	<u>% better</u>	<u>% much better</u>
My understanding that the abuse was not my fault is...	17	79
My understanding of different tactics used by perpetrators is...	25	75
My ability to understand what to expect in a healthy relationship...	17	83
My confidence and sense of feeling better about myself is...	50	42
My ability to understand my feelings and emotions is...	54	42
My ability to make positive choices in my life is...	38	58
My confidence that I now can protect myself and my children better is...	38	58
My feelings that I am supported are...	29	67
My knowledge of local services and how they can support me is...	21	71
My understanding of what has happened to me in the last couple of years is...	8	88
My understanding of how my children are affected by what has happened to me in the last couple of years is...	33	58

Freedom Forever: Freedom Forever is the follow up to the Freedom Programme. This course enables women to receive further advice and support in a group setting around issues such as managing child contact, coping with perpetrators who manipulate agencies to abuse women further. It also provides information on coercive control, laws and legalities with the aim of helping women retain their Freedom Forever.

One to one support: One to one support continues to be the largest proportion of support offered where we can be responsive to the individual needs of the client and offer ongoing support around any additional interventions. One to one support will include such things as:

- offering emotional support - building self-esteem / confidence, empowering women to make decisions, problem solving
- information advice and guidance - help applying for jobs, volunteering opportunities or training
- guidance on life skills (budgeting, healthy eating)
- support in a crisis
- domestic abuse support - building knowledge about what is domestic abuse, how to manage risk, what the impact of abuse can be on children, options for court orders, information on healthy relationships
- help filling out forms
- accompanying service users at professionals' meetings / advocacy with other professionals
- attending court with clients.

Broad outcomes for women support in the community include:

- 73 women were supported to achieve positive health outcomes (including reducing the symptoms of anxiety and trauma and accessing mental health support)
- 25 women secured positive education, training and employment outcomes (including getting employment, accessing training and/or volunteer opportunities)
- 53 women were supported to meet accommodation goals (including support to remove the perpetrator from their accommodation and improvements in security)
- 40 felt they were better able to manage their finances

Further, of the women exiting the service over the course of the year:

52% felt more confident

49% felt safer

59% felt more optimistic about themselves

56% felt more optimistic about the future.

Undoubtedly there is a positive impact on the use of statutory services as a result of the support offered.

101 women said their use of A&E had reduced

130 women said they had less need to contact Police

56 women said they visited their GP less often.

Additional support: We have a bank of committed and qualified volunteers that offer additional support in their respective fields. This includes offering counselling sessions, in blocks of 12; art therapy group and individual sessions, free legal clinics with a volunteer solicitor.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2019

Operational challenges during the year 2018/19

- **Staff changes:** There has been significant staff changes this year, including the recruitment of a permanent Head of Service in November 2018. After a period of some instability we are now able to strengthen and stabilise our organisational structure.
- **Workload capacity:** Having seen an increase in referrals, it has been increasingly difficult to deliver the same level of service and at times when we have reached capacity we have had to manage a waiting list, prioritising cases on risk and need.
- **Embedding electronic case management system:** The system was introduced last year and we are embedding the new system and learning how we can use it to its full potential in order to get the data outcomes. Together with the managers, the senior practitioners have been sharing best practice and liaising with our partner agencies who use the same system. Whilst we are making time savings in relation to producing reports for our funders there has been some impact on the administrative activities for practitioners and admin staff.
- **Funding:** There has been an increased level of uncertainty around some of our larger funders. Historically a significant number of our funds are received yearly, which creates ongoing uncertainty. In fact, we were unsuccessful in obtaining continued funding from the Police and Crime Commissioner

Business development and fundraising

In 2018/19 we were able to continue with most of our existing funders though in several cases this was at a reduced level as funders had less money available. For example, our funding from LALL was cut by 10% and funding from BeNCH was cut by 15%.

We have been working hard to diversity our funding streams and have been successful with applications to Awards for All and Lloyds Bank Foundation which will contribute to work we are doing next year to develop our education, training and employment provision. We are also extremely grateful in receiving donations from local businesses and community activities.

As a result of work completed by the Community and Corporate Fundraiser we have been able to raise our profile within the local community and with local businesses. This has created opportunities for corporate support including much needed donations of toys, clothes and expertise.

Other achievements in the year

We held our first open day in November 2018 to coincide with 16 days of action (against gender based violence). We saw over 60 local professionals visit our site and learn about our services.

We also took part in several community activities including an event for International Women's Day to celebrate and share knowledge and skills around women's services.

Partnership working

Working in partnership with complementary organisations both within Luton and across Central Bedfordshire remains critical to ensure effective service delivery (linking to housing, drug and alcohol and other complementary services) and to maximise resources. We continue to enjoy strong working relationships with Women's Aid Luton, Luton All Women Centre and Victim Support to name but a few within the voluntary sector. We also work very closely with both Luton Council and Central Bedfordshire Council, as well as the Police and Probation services, all of which form a significant proportion of our referrals. We have an important presence on many of the local forums at a strategic and operational level.

Volunteering

The trustees wish to record thanks to the many volunteers without whom the charity would be unable to maintain the quality of service at the level of funds that is currently received.

In 2018/19 the charity has benefited from the unpaid work of 10 volunteers, who supported paid staff in various ways including administrative support functions and counselling/art therapy services.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2019

Organisation structure

In 2018/19 we have embedded the management structure, establishing the management team (Head of Service, Women's Service Manager and Children's Service Manager). We have created an Office Manager role, which was recruited to internally to strengthen the management position. Managers continue to meet fortnightly to discuss operational and strategic matters. We have also created 2 senior practitioner roles with the view of disseminating some developmental and community facing activities.

The trustees wish to record their thanks to all the staff of the charity who are essential to the provision of high quality support for clients. By the end of the year, the charity employed 19 members of staff (58% work part time). The work the charity provides is hugely demanding on staff. To ensure they are well supported and their well-being protected, we provide off-site confidential clinical supervision on a monthly basis.

We have implemented the Government's initiative of auto-enrolment and promoted this to our staff. 100% of eligible staff are now in a pension scheme.

Pay policy senior staff

Remuneration of staff is set with regards to market rates and will be reviewed in 2019/20 to ensure that the pay levels are fair.

Principal risks and uncertainties

We have considered the main areas of risk and outlined in the Business Continuity Plan. The main areas of risk for the charity are:

- Loss of workspace - building damage, unexpected structural faults, heating / plumbing failure and/or loss of utilities.
- Loss of IT / data - Failure of computer hardware and/or IT systems, hacking or security breach, damage to phone lines / internet access.
- Loss of key staff - inability of staff to attend workplace or permanent / temporary loss of staff.
- Loss of income - inability to secure sufficient funding for the year, not receiving expected funding on time, not receiving funding at all.

Plans for future periods

For the 2019/20 period we will be focusing on:

- Undertaking the Trusted Charity Mark self assessment and external assessment
- Undertaking a review of our branding and strategy work to include contributions from all members of the organisation, with the aim of strengthening our position and the way we want to move forward
- Further development of fundraising and business development activity to include the recruitment of a Business Development manager.

FINANCIAL REVIEW

Financial position

The detailed figures for the year ended 31 March 2019 are set out in the financial statements that follow this Trustees' Report.

The Company made a small deficit of £5,217 during the year which was part of a planned reduction in reserves.

Income for the year decreased by £70,645, the primary sources of income being from a service agreement contract with BeNCH, a donation from London Luton Airport Limited and grants from The Pre-School Learning Alliance, Comic Relief, the Tudor Trust, the Department for Digital, Culture, Media and Sports, and the Bedfordshire Police and Crime Commissioner. Income for the year was in line with budget.

Expenditure for the year increased, by £13,053, which was within budget due to cost savings during the year made whilst still maintaining service provision.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2019

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 £117,091 (2018 £115,240) in reserves under the above definition, which represents 22.6% (2018 22.8%) of operating costs for the year.

Investment policy

The trustees have decided to maintain a low risk investment strategy. The main purpose of the Company is to provide support services to vulnerable women and their children and families and because of the uncertainty of income streams, it is necessary to ensure that funds are readily available to ensure that services are not adversely affected by short term income falls. As such the trustees choose not to risk funds in potentially higher return investments.

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.

Following resignations of Trustees from the Board for a variety of personal reasons, we have sought new Trustees and have been fortunate to identify a number of well qualified and interested people who have been appointed to the Board during the year.

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 2019

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:

Karen Godfrey (Chair)	
Margaret Simons	- resigned 3.12.18
Shirley Connor	- resigned 19.6.18
Sandra Brown	- appointed 20.7.18
Cheryl Beckles	
Niki Toffis	
Lubna Farhan	- appointed 20.7.18
Sally Hopwood	- appointed 20.7.18
Sandra Huggett	- appointed 20.7.18
Sara Miles	- appointed 1.10.18

Independent examiner

Martin Corrie, 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

Nicola Panton (Head of Service)
Karrina Usher (Manager Women's Services)
Linda Rogers (Manager Children's Services)

Stepping Stones (Luton)

Report of the Trustees
for the Year Ended 31 March 2019

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 1 July 2019 and signed on its behalf by:



Karen Godfrey (Chair) - Trustee

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

Independent examiner's report to the trustees of Stepping Stones (Luton) ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2019.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England & Wales which is one of the listed bodies

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached



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

2 July 2019

Stepping Stones (Luton)

Statement of Financial Activities
for the Year Ended 31 March 2019

	Note	Unrestricted fund £	Restricted funds £	31.3.19 Total funds £	31.3.18 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	9,782	170,000	179,782	206,889
Charitable activities	4				
Support services for vulnerable women		92,197	241,076	333,273	377,003
Investment income	3	<u>259</u>	<u>-</u>	<u>259</u>	<u>67</u>
Total		<u>102,238</u>	<u>411,076</u>	<u>513,314</u>	<u>583,959</u>
EXPENDITURE ON					
Raising funds		-	5,378	5,378	13,793
Charitable activities	5				
Support services for vulnerable women		<u>103,052</u>	<u>410,101</u>	<u>513,153</u>	<u>491,685</u>
Total		<u>103,052</u>	<u>415,479</u>	<u>518,531</u>	<u>505,478</u>
NET INCOME/(EXPENDITURE)		(814)	(4,403)	(5,217)	78,481
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>161,762</u>	<u>159,733</u>	<u>321,495</u>	<u>243,014</u>
TOTAL FUNDS CARRIED FORWARD		<u>160,948</u>	<u>155,330</u>	<u>316,278</u>	<u>321,495</u>

The notes form part of these financial statements

Stepping Stones (Luton)

Statement of Financial Position
At 31 March 2019

	Note	Unrestricted fund £	Restricted funds £	31.3.19 Total funds £	31.3.18 Total funds £
FIXED ASSETS					
Tangible assets	11	<u>43,857</u>	<u>-</u>	<u>43,857</u>	<u>46,522</u>
CURRENT ASSETS					
Debtors	12	16,276	11,319	27,595	107,581
Cash at bank and in hand		<u>114,201</u>	<u>216,176</u>	<u>330,377</u>	<u>234,073</u>
		130,477	227,495	357,972	341,654
CREDITORS					
Amounts falling due within one year	13	<u>(13,386)</u>	<u>(72,165)</u>	<u>(85,551)</u>	<u>(66,681)</u>
NET CURRENT ASSETS		<u>117,091</u>	<u>155,330</u>	<u>272,421</u>	<u>274,973</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>160,948</u>	<u>155,330</u>	<u>316,278</u>	<u>321,495</u>
NET ASSETS		<u>160,948</u>	<u>155,330</u>	<u>316,278</u>	<u>321,495</u>
FUNDS	15				
Unrestricted funds:					
General fund				160,948	161,762
Restricted funds:					
Support services for vulnerable women				<u>155,330</u>	<u>159,733</u>
TOTAL FUNDS				<u>316,278</u>	<u>321,495</u>

Stepping Stones (Luton)

Statement of Financial Position - continued
At 31 March 2019

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 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 charitable small companies.

The financial statements were approved by the Board of Trustees on 1 July 2019 and were signed on its behalf by:



Karen Godfrey (Chair)-Trustee



Niki Toffis -Trustee

Stepping Stones (Luton)

Statement of Cash Flows
for the Year Ended 31 March 2019

	Note	31.3.19 £	31.3.18 £
Cash flows from operating activities:			
Cash generated from operations	1	110,596	(3,808)
Interest paid		<u>(137)</u>	<u>(115)</u>
Net cash provided by (used in) operating activities		<u>110,459</u>	<u>(3,923)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(14,155)</u>	<u>(8,064)</u>
Net cash provided by (used in) investing activities		<u>(14,155)</u>	<u>(8,064)</u>
Change in cash and cash equivalents in the reporting period		96,304	(11,987)
Cash and cash equivalents at the beginning of the reporting period		<u>234,073</u>	<u>246,060</u>
Cash and cash equivalents at the end of the reporting period		<u>330,377</u>	<u>234,073</u>

Stepping Stones (Luton)

Notes to the Statement of Cash Flows
for the Year Ended 31 March 2019

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

	31.3.19	31.3.18
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(5,217)	78,481
Adjustments for:		
Depreciation charges	16,820	14,531
Interest paid	137	115
Decrease/(increase) in debtors	79,986	(53,523)
Increase/(decrease) in creditors	18,870	(43,412)
Net cash provided by (used in) operating activities	<u>110,596</u>	<u>(3,808)</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

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.

The charity has one main activity being the provision of support services for vulnerable women.

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.

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.

Stepping Stones (Luton)

Notes to the Financial Statements - continued for the Year Ended 31 March 2019

1. ACCOUNTING POLICIES - continued

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

	31.3.19	31.3.18
	£	£
Donations	178,966	193,820
Income from annual dinner	-	11,215
Donated services	816	1,854
	<u>179,782</u>	<u>206,889</u>

3. INVESTMENT INCOME

	31.3.19	31.3.18
	£	£
Interest received	<u>259</u>	<u>67</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.19	31.3.18
	£	£
Service agreement	72,197	84,339
Grants	<u>261,076</u>	<u>292,664</u>
	<u>333,273</u>	<u>377,003</u>

Stepping Stones (Luton)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

4. INCOME FROM CHARITABLE ACTIVITIES - continued

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

	31.3.19	31.3.18
	£	£
Bedfordshire Pre-School Learning Alliance	34,971	44,141
Bedfordshire Police Crime Commissioner	90,344	104,000
Department for Digital, Culture, Media & Sport	78,202	37,122
Comic Relief	14,967	24,949
Tudor Trust	22,592	32,452
You Turn Futures	-	30,000
Resolutions Partnership	20,000	20,000
	<u>261,076</u>	<u>292,664</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 6)	Totals
	£	£	£
Support services for vulnerable women	<u>401,669</u>	<u>111,484</u>	<u>513,153</u>

6. SUPPORT COSTS

	Other £
Support services for vulnerable women	<u>111,484</u>

7. NET INCOME/(EXPENDITURE)

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

	31.3.19	31.3.18
	£	£
Depreciation - owned assets	16,820	14,531
Hire of plant and machinery	(62)	8,469
Independent Examiner's remuneration	<u>2,500</u>	<u>2,500</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

Expenses totalling £281 (2018: £1,033) were paid for 4 (2018: 2) Trustees in respect of training costs and entertaining during the year ended 31 March 2019.

Stepping Stones (Luton)

Notes to the Financial Statements - continued for the Year Ended 31 March 2019

9. STAFF COSTS

	31.3.19	31.3.18
	£	£
Wages and salaries	327,152	304,397
Social security costs	21,944	21,295
Other pension costs	4,413	2,190
	<u>353,509</u>	<u>327,882</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:

	31.3.19	31.3.18
Support services for vulnerable women	<u>19</u>	<u>18</u>

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

The employee benefits of key management personnel for the company were £86,537 (2018: £89,627).

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	16,889	190,000	206,889
Charitable activities			
Support services for vulnerable women	104,339	272,664	377,003
Investment income	<u>67</u>	<u>-</u>	<u>67</u>
Total	<u>121,295</u>	<u>462,664</u>	<u>583,959</u>
EXPENDITURE ON			
Raising funds	6,112	7,681	13,793
Charitable activities			
Support services for vulnerable women	<u>118,570</u>	<u>373,115</u>	<u>491,685</u>
Total	<u>124,682</u>	<u>380,796</u>	<u>505,478</u>
NET INCOME/(EXPENDITURE)	(3,387)	81,868	78,481
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>165,149</u>	<u>77,865</u>	<u>243,014</u>
TOTAL FUNDS CARRIED FORWARD	<u>161,762</u>	<u>159,733</u>	<u>321,495</u>

Stepping Stones (Luton)

Notes to the Financial Statements - continued for the Year Ended 31 March 2019

11. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures & equipment £	Totals £
COST			
At 1 April 2018	124,248	36,733	160,981
Additions	<u>5,000</u>	<u>9,155</u>	<u>14,155</u>
At 31 March 2019	<u>129,248</u>	<u>45,888</u>	<u>175,136</u>
DEPRECIATION			
At 1 April 2018	83,866	30,593	114,459
Charge for year	<u>12,424</u>	<u>4,396</u>	<u>16,820</u>
At 31 March 2019	<u>96,290</u>	<u>34,989</u>	<u>131,279</u>
NET BOOK VALUE			
At 31 March 2019	<u>32,958</u>	<u>10,899</u>	<u>43,857</u>
At 31 March 2018	<u>40,382</u>	<u>6,140</u>	<u>46,522</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19 £	31.3.18 £
Trade debtors	13,482	94,421
Other debtors	-	800
Prepayments	<u>14,113</u>	<u>12,360</u>
	<u>27,595</u>	<u>107,581</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.19 £	31.3.18 £
Trade creditors	11,971	11,927
Social security and other taxes	15,517	16,378
Other creditors	26,921	26,913
Accruals and deferred income	<u>31,142</u>	<u>11,463</u>
	<u>85,551</u>	<u>66,681</u>

14. LEASING AGREEMENTS

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

	31.3.19 £	31.3.18 £
Within one year	18,000	18,000
Between one and five years	<u>20,663</u>	<u>38,663</u>
	<u>38,663</u>	<u>56,663</u>

Stepping Stones (Luton)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2019

15. MOVEMENT IN FUNDS

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	161,762	(814)	160,948
Restricted funds			
Support services for vulnerable women	159,733	(4,403)	155,330
TOTAL FUNDS	<u>321,495</u>	<u>(5,217)</u>	<u>316,278</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	102,238	(103,052)	(814)
Restricted funds			
Support services for vulnerable women	411,076	(415,479)	(4,403)
TOTAL FUNDS	<u>513,314</u>	<u>(518,531)</u>	<u>(5,217)</u>

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
Unrestricted Funds			
General fund	165,149	(3,387)	161,762
Restricted Funds			
Support services for vulnerable women	77,865	81,868	159,733
TOTAL FUNDS	<u>243,014</u>	<u>78,481</u>	<u>321,495</u>

15. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	121,295	(124,682)	(3,387)
Restricted funds			
Support services for vulnerable women	462,664	(380,796)	81,868
TOTAL FUNDS	<u>583,959</u>	<u>(505,478)</u>	<u>78,481</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.

16. RELATED PARTY DISCLOSURES

During the year the company entered into a 12 month agreement with Pan Resource Management Consultants Limited (PRMCL) for the provision of marketing and fundraising services. Mrs Niki Toffis, a Trustee, is a director of PRMCL. During the year £4,837 was paid to PRMCL and no amounts were outstanding at the year end. The transactions with PRMCL are at open market value.

17. ULTIMATE CONTROLLING PARTY

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

18. 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 2019

	Unrestricted funds £	Restricted funds £	31.3.19 Total funds £	31.3.18 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	8,966	170,000	178,966	193,820
Income from annual dinner	-	-	-	11,215
Donated services	<u>816</u>	<u>-</u>	<u>816</u>	<u>1,854</u>
	<u>9,782</u>	<u>170,000</u>	<u>179,782</u>	<u>206,889</u>
Investment income				
Interest received	<u>259</u>	<u>-</u>	<u>259</u>	<u>67</u>
Charitable activities				
Service agreement	72,197	-	72,197	84,339
Grants	<u>20,000</u>	<u>241,076</u>	<u>261,076</u>	<u>292,664</u>
	<u>92,197</u>	<u>241,076</u>	<u>333,273</u>	<u>377,003</u>
Total incoming resources	<u>102,238</u>	<u>411,076</u>	<u>513,314</u>	<u>583,959</u>
EXPENDITURE				
Raising donations and legacies				
Consultancy fees	-	5,378	5,378	7,681
Annual dinner expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,112</u>
	<u>-</u>	<u>5,378</u>	<u>5,378</u>	<u>13,793</u>
Charitable activities				
Salaries	54,445	272,707	327,152	304,397
Social security	4,803	17,141	21,944	21,295
Pensions	841	3,572	4,413	2,190
Agency costs	-	-	-	1,703
Staff training	1,402	7,945	9,347	5,992
Recruitment costs	408	2,313	2,721	1,858
DBS costs	139	785	924	728
Refreshments & canteen expenses	639	3,623	4,262	4,580
Travel expenses	1,806	10,233	12,039	4,774
Supervision costs	1,767	10,014	11,781	8,992
Materials	300	1,701	2,001	2,742
Telephone	-	673	673	-
Service user support expenses	9	51	60	1,343
Venue hire	-	1,571	1,571	962
Accountancy	2,500	-	2,500	2,500
Trustee expenses	<u>281</u>	<u>-</u>	<u>281</u>	<u>-</u>
	<u>69,340</u>	<u>332,329</u>	<u>401,669</u>	<u>364,056</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 2019

	Unrestricted funds £	Restricted funds £	31.3.19 Total funds £	31.3.18 Total funds £
Support costs				
Other				
Equipment leasing	(9)	(53)	(62)	8,469
Advertising	109	619	728	846
Rent & parking payable	18,000	-	18,000	19,071
Rates & water rates	1,185	-	1,185	1,777
Insurance	798	4,522	5,320	5,022
Telephone	1,058	5,994	7,052	8,703
Printing, postage & stationery	505	2,864	3,369	2,398
Repairs, renewals & alterations	2,126	12,048	14,174	3,212
Light & heat	651	3,687	4,338	4,014
Computer & software expenses	1,524	8,634	10,158	8,651
Professional fees	1,105	1,638	2,743	13,988
Consultancy fees	1,740	9,860	11,600	20,370
Refuse collection & cleaning	413	2,343	2,756	2,703
Sundry project costs	-	-	-	287
Sundry expenses	723	4,097	4,820	2,568
Irrecoverable VAT	1,252	7,094	8,346	10,904
Depreciation of short leasehold	1,864	10,560	12,424	12,424
Depreciation of fixtures & equipment	659	3,737	4,396	2,107
Bank charges and interest	9	128	137	115
	<u>33,712</u>	<u>77,772</u>	<u>111,484</u>	<u>127,629</u>
Total resources expended	103,052	415,479	518,531	505,478
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net (expenditure)/income	<u>(814)</u>	<u>(4,403)</u>	<u>(5,217)</u>	<u>78,481</u>