

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 2020
for
Stepping Stones (Luton)

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

Stepping Stones (Luton)

Contents of the Financial Statements for the Year Ended 31 March 2020

	Page
Report of the Trustees	1 to 8
Independent Examiner's Report	9
Statement of Financial Activities	10
Statement of Financial Position	11 to 12
Statement of Cash Flows	13
Notes to the Statement of Cash Flows	14
Notes to the Financial Statements	15 to 21
Detailed Statement of Financial Activities	22 to 23

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2020

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 2020.

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 2019).

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:

As a direct result of our work we will have built stronger communities by putting systems in place that enable women to thrive and be their best selves.

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 needs 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.

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 2020

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.

2019/20 Summary

This year we worked with 520 vulnerable women, this is a decrease compared to last year (576) which is most likely due to changes in our outreach services. We have delivered 6,763 hours over the course of the year. There has been some change in relation to the needs and vulnerabilities that the women are presenting with. There has been an increase in women presenting with needs around emotional health and wellbeing (now 72%). Women presenting with needs around children (52%), social networks (50%) and safety (48%) are still high. 81% of our clients are seeking help around domestic abuse, this is a slight increase from last year (79%).

We continue to get referrals from a variety of sources - Probation, Children's Services and the Police being our biggest referrers. We have seen another increase in self-referrals; this year self-referrals made up 25% of all our referrals compared to 22% last year.

We have continued to make childcare facilities available for our clients. Across the year, 114 children accessed this service attending 1,458 sessions. This has reduced since last year (165 children and 1,721 sessions). It would seem that this year we had more of a consistent, though slightly smaller, cohort of children regularly using our childcare facility. This has strengthened the relationship between the childcare team and the mums and their children who come in and we hope to build on this next year, exploring some different family friendly interventions.

We have spent some time this year on bringing the team together including running several joint events between the board and the staff team and arranged an afternoon tea for clients, staff and the board to get to know each other. As a whole organisation we also reviewed our strategy and branding.

This year there have been changes to our board with our Chair and Founder, Karen Godfrey, stepping down after temporarily accepting the position last year. An existing member of the board, Sandra Brown, took up the chair position as of February 2020. We also saw some board members step down after long periods with the organisation. We completed a review of our board member skills to assist us in becoming a well-rounded board of trustees and we have actively sought members to fill areas of need. Towards the beginning of the year we welcomed a new patron, Meryl Dolling.

In January 2020, we made the difficult decision to wind down and ultimately close our outreach service supporting women in Central Bedfordshire. This ceased to run as of the end of March 2020. We are aware that this removes a much-needed service in this area, however, we were unable to source further funding despite best efforts. We completed redundancies consultations but were pleased that we were able to relocate 3 of the 4 staff members into the Luton team.

Towards the end of this year we were forced to adapt our services in line with the Covid-19 pandemic and lock down guidance. In line with guidance we temporarily closed our office, immediately opting for phone and video contact to support our clients. Thankfully we had already obtained appropriate IT equipment which we distributed amongst the staff team to enable them to work remotely from their homes. Thanks to the resilience of the team we were able to offer a seamless service to our clients and in fact it has enabled us to explore the possibility of continuing with some of the adapted services in the longer term.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2020

ACHIEVEMENT AND PERFORMANCE CONTINUED

During 2019/20 the following services were provided:

Intervention / services	No. of women
One to one support (Luton)	353
One to one support (Central Beds)	183
BeNCH (probation)	129
Group programmes (incl Freedom, Anger, Trauma, Parenting)	126
Education, Training and Employment support	35
Counselling	34

Services:

Luton one to one support: Following an initial assessment, keyworkers will work collaboratively with women to devise a support plan of action.

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
- exploring options / planning for the future
- 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.

Central Beds one to one support: We provided an outreach service for women living in Central Beds, utilising community based locations to deliver face to face appointments - known as the Stepping Out project. Unfortunately, due to funding we made the decision to cease providing support on an outreach basis from March 2020. In an attempt to continue to offer some, albeit more limited support, we decided that we would continue to provide support to women living in this area that could travel to our office in Luton. We will continue to monitor the level of need for women living in this area.

BeNCH (Probation): We continue to provide support 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
- Liaison with Probation Responsible Officer
- Opportunity for female offenders to have all their appointments in a female-only environment
- Access to all our other Luton based services including Childcare
- Provision of Unpaid Work female only placements

Group programmes: We have run a number of group programmes this year - full details below:

Freedom - 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.

Shine - New this year, this is a personal development and group mentoring programme that uses inspirational, practical and experiential approach to learning. Women are equipped to become effective global citizens for the future. Each woman is supported to develop an understanding of her own personal worth, strength and purpose and realise the potential within her to fulfil her desires.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2020

Anger - The Anger Programme explores anger and violence in different areas of the women's lives, focussing on strengths and how women can express their emotions and make positive changes to their lives.

Onyx - This is a structured group programme where women who have experienced domestic abuse or other trauma can explore and make sense of their experiences and increase their control over their own lives. The sessions focus on: understanding the dynamics of violence, abuse and trauma; understanding the impact of trauma on women's lives; and learning how to live with and to heal from trauma

Mellow - This is a parenting programme for mums and their under 5 year old children. There are separate sessions where mums explore their own childhood experiences, discuss childhood development and a joint session to take part in a child-friendly activity.

Nurture - This is a parenting programme for mums and their children (up to 5 years old). This programme helps mums to gain an understanding of their child's behaviour, different approaches to discipline and the importance of caring for yourself as a parent.

Strengthening Families Strengthening Communities - This is a parenting programme for parents with older children. It looks at setting boundaries, positive discipline, improving relationships, building your child's self esteem and conflict and anger management.

Education, Training and Employment (ETE) support: In 2019/20 we received funding from Lloyds Bank Foundation to set up and deliver an ETE service. This involves support with CVs, interview prep, exploration of training and development opportunities, apprenticeship opportunities and discussion of self employment opportunities.

Counselling: 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.

Additional support: We offer free legal clinics with a volunteer solicitor. We also offer practical support through clothes, food and toiletries donations.

Childcare: All women attending our Luton office for support are encouraged to make use of our childcare facility. We also offer childcare for our clients when attending court or appointments with other professionals. Morning and afternoon sessions are available and children are provided with a hot meal if they are there for lunchtime. Childcare staff offer support to mums around boundary setting, play and communication. We also offer a weekly stay and play session.

Broad outcomes for women support in the community include:

546 clients have exited the service this year.

- 95 women were supported to achieve positive health outcomes (including reducing the symptoms of anxiety and trauma and accessing mental health support)
- 49 women achieved positive changes in their financial position (including feeling better able to manage their finances and more able to manage debt)
- 32 women achieved goals in relation to ETE
- 85 women benefited in relation to their parenting goals (including being supported through contact processes, increasing their confidence in parenting, increasing their understanding of the impact of DA on children and better relationships with their children).

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

43% felt safer

49% felt more confident

52% felt better about themselves

50% felt more able to deal with their problems

53% 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.

79 women said their use of A&E had reduced

107 women said they had less need to contact Police

52 women said they visited their GP less often.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2020

Operational challenges during the year 2019/20

- **Staff changes:** Regretfully some staff turnover has left us short staffed for a short period of time which impacted on our capacity to pick up new referrals. We were able to relocate some of our outreach staff into the Luton staffing team when the outreach project closed at the end of March 2020, which should take the team back up to full capacity.
- **Funding:** We have seen continued uncertainty around funding. The ending of several larger multi-year funding streams in this year and previous years has significantly impacted our funding sustainability. However, we are pleased that we have successfully continued our relationship with several high profile, supportive funders such as Lloyds Bank Foundation and Tudor Trust and forged new relationships with new grant funders, such as the Henry Smith Charity and The Pilgrim Trust.
- **Remote working:** As a result of the Covid-19 pandemic, in March 2020 we adopted remote working practices, with staff supporting clients from home over the phone and via video calls. This is a significant change to our way of working and creates numerous challenges including being able to contact clients safely when they are in their own homes, being able to continue to deliver certain interventions including group programmes touching on sensitive / emotive issues and managing and supporting staff who working from home may not find it easy to separate from the traumatic and difficult conversations they have had during the day.

Business Development and Fundraising

With our recruitment to the new Business Development Manager post this year, we have been able to put more time into developing new relationships including creating new links with Active Luton with a view to creating interventions around family health, fitness and being active. We have also increased our service user engagement activity, delivering regular service user surveys and starting face to face service user engagement groups.

In 2019/20 we were pleased to continue our work with our established funders and have been successful in increasing our level of donations through use of online giving and sponsored events. We have also had some success with accessing smaller local grant opportunities. We have continued to spend time on our online presence, both on social media and our own website.

Other achievements in the year

We again took part in several community activities around International Women's Day to celebrate and share knowledge and skills around women's services within our local community. During 16 days of Action against gender-based violence, we also hosted an event for our own clients to celebrate and share their successes focussing on strength and hope in the future.

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's Centre and Victim Support to name but a few within the voluntary women's 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 2019/20 the charity has benefited from the unpaid work of 10 volunteers, who supported paid staff in various ways including administrative support functions, counselling and legal services.

Stepping Stones (Luton)

Report of the Trustees for the Year Ended 31 March 2020

We are also grateful to TUI for their team of volunteers who completed some internal decoration for us including laying carpet and painting the upstairs over the course of a day.

Organisation Structure

In 2019/20 we recruited a Business Development Manager which has strengthened the management team.

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 20 members of staff (55% work part time). The services 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 2020/21 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 2020/21 period we will be focusing on:

- As part of the activity to reflect on our management of the Covid-19 pandemic and the adoptions to our service provision, we plan to explore further our remote working capabilities with the view to exploring the feasibility of longer term virtual support, both via phone and video facilities.
- Financial sustainability of the organisation continues to be our focus and we will seek continued diversification of our funding streams.

FINANCIAL REVIEW

Financial position

The detailed figures for the year ended 31 March 2020 are set out in the financial statements that follow this Trustees' Report.

The Company made a deficit of £7,937 during the year which was part of a planned reduction in reserves.

Income for the year increased by £39,630, 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, the Tudor Trust, the Department for Digital, Culture, Media and Sports, Lloyds Bank Foundation, Central Beds Council and The Henry Smith Charity. Income for the year was in line with budget.

Expenditure for the year increased, by £42,350, 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 2020

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 £132,536 (2019 £117,091) in reserves under the above definition, which represents 23.6% (2019 22.6%) 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 (amended 11 January 2017).

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. The trustees are eligible to serve for a three-year period and may then be re-elected for further three-year periods. 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 2020

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:

Sandra Brown (Chair)
Sally Hopwood (Deputy Chair)
Sandra Huggett
Sara Miles
Hannah Hill (appointed 1.7.19)
Charoulla Georgiou (appointed 1.7.19) (resigned 2.2.20)
Karen Godfrey (Chair) (resigned 15.3.20)
Cheryl Beckles (resigned 2.3.20)
Niki Toffis (resigned 24.9.19)
Lubna Farhan (resigned 22.10.19)

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

Patrons

Gavin Shuker
Meryl Dolling

Bankers

Barclays Bank Plc
28 George Street
Luton
Bedfordshire
LU1 2AE

MANAGEMENT TEAM

Nicola Panton (CEO)
Karrina Usher (Manager Women's Services)
Linda Rogers (Manager Children's Services)

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

Approved by order of the board of trustees on 28 September 2020 and signed on its behalf by:



Sandra Brown (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 2020.

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.



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

28 September 2020

Stepping Stones (Luton)

Statement of Financial Activities
for the Year Ended 31 March 2020

	Notes	Unrestricted fund £	Restricted funds £	31.3.20 Total funds £	31.3.19 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	25,281	171,802	197,083	179,782
Charitable activities	4				
Support services for vulnerable women		85,010	270,521	355,531	333,273
Investment income	3	330	-	330	259
Total		110,621	442,323	552,944	513,314
EXPENDITURE ON					
Raising funds		-	10,419	10,419	5,378
Charitable activities	5				
Support services for vulnerable women		118,810	431,652	550,462	513,153
Total		118,810	442,071	560,881	518,531
NET INCOME/(EXPENDITURE)		(8,189)	252	(7,937)	(5,217)
RECONCILIATION OF FUNDS					
Total funds brought forward		160,948	155,330	316,278	321,495
TOTAL FUNDS CARRIED FORWARD		152,759	155,582	308,341	316,278

The notes form part of these financial statements

Stepping Stones (Luton)

Statement of Financial Position
31 March 2020

	Notes	Unrestricted fund £	Restricted funds £	31.3.20 Total funds £	31.3.19 Total funds £
FIXED ASSETS					
Tangible assets	11	<u>20,223</u>	<u>-</u>	<u>20,223</u>	<u>43,857</u>
CURRENT ASSETS					
Debtors	12	15,786	8,125	23,911	27,595
Cash at bank and in hand		<u>140,981</u>	<u>193,635</u>	<u>334,616</u>	<u>330,377</u>
		156,767	201,760	358,527	357,972
CREDITORS					
Amounts falling due within one year	13	<u>(24,231)</u>	<u>(46,178)</u>	<u>(70,409)</u>	<u>(85,551)</u>
NET CURRENT ASSETS		<u>132,536</u>	<u>155,582</u>	<u>288,118</u>	<u>272,421</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>152,759</u>	<u>155,582</u>	<u>308,341</u>	<u>316,278</u>
NET ASSETS		<u>152,759</u>	<u>155,582</u>	<u>308,341</u>	<u>316,278</u>
FUNDS	15				
Unrestricted funds:					
General fund				152,759	160,948
Restricted funds:					
Support services for vulnerable women				<u>155,582</u>	<u>155,330</u>
TOTAL FUNDS				<u>308,341</u>	<u>316,278</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- 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.

Stepping Stones (Luton)

Statement of Financial Position - continued

31 March 2020

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

The financial statements were approved by the Board of Trustees and authorised for issue on 28 September 2020 and were signed on its behalf by:

Sandra Brown

Sandra Brown (Chair) - Trustee

SPHopwood

Sally Hopwood - Trustee

Stepping Stones (Luton)

Statement of Cash Flows
for the Year Ended 31 March 2020

	Notes	31.3.20 £	31.3.19 £
Cash flows from operating activities			
Cash generated from operations	1	4,679	110,596
Interest paid		<u>(243)</u>	<u>(137)</u>
Net cash provided by operating activities		<u>4,436</u>	<u>110,459</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(197)</u>	<u>(14,155)</u>
Net cash used in investing activities		<u>(197)</u>	<u>(14,155)</u>
 Change in cash and cash equivalents in the reporting period		4,239	96,304
Cash and cash equivalents at the beginning of the reporting period		<u>330,377</u>	<u>234,073</u>
 Cash and cash equivalents at the end of the reporting period		<u>334,616</u>	<u>330,377</u>

The notes form part of these financial statements

Stepping Stones (Luton)

Notes to the Statement of Cash Flows
for the Year Ended 31 March 2020

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.20 £	31.3.19 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(7,937)	(5,217)
Adjustments for:		
Depreciation charges	23,831	16,820
Interest paid	243	137
Decrease in debtors	3,684	79,986
(Decrease)/increase in creditors	<u>(15,142)</u>	<u>18,870</u>
Net cash provided by operations	<u>4,679</u>	<u>110,596</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank and in hand	<u>330,377</u>	<u>4,239</u>	<u>334,616</u>
	<u>330,377</u>	<u>4,239</u>	<u>334,616</u>
Total	<u>330,377</u>	<u>4,239</u>	<u>334,616</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 2019)', 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.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

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

	31.3.20	31.3.19
	£	£
Donations	197,083	178,966
Donated services	-	816
	<u>197,083</u>	<u>179,782</u>

3. INVESTMENT INCOME

	31.3.20	31.3.19
	£	£
Interest received	<u>330</u>	<u>259</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.20	31.3.19
	£	£
Service agreement	75,010	72,197
Grants	<u>280,521</u>	<u>261,076</u>
	<u>355,531</u>	<u>333,273</u>

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

	31.3.20	31.3.19
	£	£
Bedfordshire Pre-School Learning Alliance	31,978	34,971
Bedfordshire Police Crime Commissioner	-	90,344
Department for Digital, Culture, Media & Sport	80,835	78,202
Comic Relief	-	14,967
Tudor Trust	29,956	22,592
Resolutions Partnership	<u>10,000</u>	<u>20,000</u>
Carried forward	152,769	261,076

Stepping Stones (Luton)

Notes to the Financial Statements - continued for the Year Ended 31 March 2020

4. INCOME FROM CHARITABLE ACTIVITIES - continued

	31.3.20	31.3.19
	£	£
Brought forward	152,769	261,076
Awards For All	10,000	-
Lloyds Bank Foundation	32,800	-
Central Beds Council	35,000	-
Ministry Of Justice	14,552	-
VERU (Police and Crime Commissioner)	8,500	-
The Henry Smith Charity	26,900	-
	<u>280,521</u>	<u>261,076</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Support services for vulnerable women	<u>438,254</u>	<u>112,208</u>	<u>550,462</u>

6. SUPPORT COSTS

	Other £
Support services for vulnerable women	<u>112,208</u>

7. NET INCOME/(EXPENDITURE)

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

	31.3.20	31.3.19
	£	£
Depreciation - owned assets	23,831	16,820
Hire of plant and machinery	-	(62)
Independent Examiner's remuneration	<u>2,250</u>	<u>2,500</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2020 nor for the year ended 31 March 2019.

Trustees' expenses

Expenses totalling £1,222 (2019: £281) were paid for 3 (2019: 4) Trustees in respect of travel, training costs and entertaining during the year ended 31 March 2020.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

9. STAFF COSTS

	31.3.20	31.3.19
	£	£
Wages and salaries	347,129	327,152
Social security costs	23,875	21,944
Other pension costs	6,470	4,413
	<u>377,474</u>	<u>353,509</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:

	31.3.20	31.3.19
	18	19
Support services for vulnerable women	<u>18</u>	<u>19</u>

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

The employee benefits of key management personnel for the company were £95,719 (2019: £86,537).

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	9,782	170,000	179,782
Charitable activities			
Support services for vulnerable women	92,197	241,076	333,273
Investment income	<u>259</u>	<u>-</u>	<u>259</u>
Total	<u>102,238</u>	<u>411,076</u>	<u>513,314</u>
EXPENDITURE ON			
Raising funds	-	5,378	5,378
Charitable activities			
Support services for vulnerable women	103,052	410,101	513,153
Total	<u>103,052</u>	<u>415,479</u>	<u>518,531</u>
NET INCOME/(EXPENDITURE)	(814)	(4,403)	(5,217)
RECONCILIATION OF FUNDS			
Total funds brought forward	161,762	159,733	321,495
TOTAL FUNDS CARRIED FORWARD	<u>160,948</u>	<u>155,330</u>	<u>316,278</u>

Stepping Stones (Luton)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

11. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures & equipment £	Totals £
COST			
At 1 April 2019	129,248	45,888	175,136
Additions	-	197	197
At 31 March 2020	<u>129,248</u>	<u>46,085</u>	<u>175,333</u>
DEPRECIATION			
At 1 April 2019	96,290	34,989	131,279
Charge for year	<u>12,925</u>	<u>10,906</u>	<u>23,831</u>
At 31 March 2020	<u>109,215</u>	<u>45,895</u>	<u>155,110</u>
NET BOOK VALUE			
At 31 March 2020	<u>20,033</u>	<u>190</u>	<u>20,223</u>
At 31 March 2019	<u>32,958</u>	<u>10,899</u>	<u>43,857</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20 £	31.3.19 £
Trade debtors	13,752	13,482
Prepayments	<u>10,159</u>	<u>14,113</u>
	<u>23,911</u>	<u>27,595</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.20 £	31.3.19 £
Trade creditors	3,854	11,971
Social security and other taxes	22,629	15,517
Other creditors	30,371	26,921
Accruals and deferred income	<u>13,555</u>	<u>31,142</u>
	<u>70,409</u>	<u>85,551</u>

14. LEASING AGREEMENTS

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

	31.3.20 £	31.3.19 £
Within one year	18,000	18,000
Between one and five years	<u>2,663</u>	<u>20,663</u>
	<u>20,663</u>	<u>38,663</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2020

15. MOVEMENT IN FUNDS

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	160,948	(8,189)	152,759
Restricted funds			
Support services for vulnerable women	155,330	252	155,582
TOTAL FUNDS	316,278	(7,937)	308,341

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	110,621	(118,810)	(8,189)
Restricted funds			
Support services for vulnerable women	442,323	(442,071)	252
TOTAL FUNDS	552,944	(560,881)	(7,937)

Comparatives for 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	321,495	(5,217)	316,278

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	102,238	(103,052)	(814)
Restricted funds			
Support services for vulnerable women	411,076	(415,479)	(4,403)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>513,314</u>	<u>(518,531)</u>	<u>(5,217)</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 previous 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 (who resigned during the year), is a director of PRMCL. During the year £6,215 (2019: £4,837) was paid to PRMCL and no amounts were outstanding at the year end. The transactions with PRMCL were undertaken at arm's length.

During the year the company paid £6,000 (2019: £Nil) to Godfrey Building Services for building work at the company premises. The proprietor of the firm is the husband of Mrs Karen Godfrey, a Trustee (who resigned during the year). No amounts were outstanding at the year end and the transactions with Godfrey Building Services were undertaken at arm's length.

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 2020

	Unrestricted funds £	Restricted funds £	31.3.20 Total funds £	31.3.19 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Donations	25,281	171,802	197,083	178,966
Donated services	-	-	-	816
	<u>25,281</u>	<u>171,802</u>	<u>197,083</u>	<u>179,782</u>
Investment income				
Interest received	330	-	330	259
Charitable activities				
Service agreement	75,010	-	75,010	72,197
Grants	10,000	270,521	280,521	261,076
	<u>85,010</u>	<u>270,521</u>	<u>355,531</u>	<u>333,273</u>
Total incoming resources	<u>110,621</u>	<u>442,323</u>	<u>552,944</u>	<u>513,314</u>
EXPENDITURE				
Raising donations and legacies				
Consultancy fees	-	10,419	10,419	5,378
Charitable activities				
Salaries	60,029	287,100	347,129	327,152
Social security	5,028	18,847	23,875	21,944
Pensions	1,166	5,304	6,470	4,413
Staff training	1,951	11,715	13,666	9,347
Recruitment costs	1,317	1,748	3,065	2,721
DBS costs	473	300	773	924
Refreshments & canteen expenses	461	2,767	3,228	4,262
Travel expenses	1,245	7,476	8,721	12,039
Supervision costs	5,102	10,088	15,190	11,781
Materials	307	1,846	2,153	2,001
Telephone	-	-	-	673
Service user support expenses	75	447	522	60
Venue hire	-	4,515	4,515	1,571
Accountancy	7,725	-	7,725	2,500
Trustee expenses	1,222	-	1,222	281
	<u>86,101</u>	<u>352,153</u>	<u>438,254</u>	<u>401,669</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 2020

	Unrestricted funds £	Restricted funds £	31.3.20 Total funds £	31.3.19 Total funds £
Support costs				
Other				
Equipment leasing	-	-	-	(62)
Advertising	457	-	457	728
Rent & parking payable	17,112	1,748	18,860	18,000
Rates & water rates	2,178	-	2,178	1,185
Insurance	786	4,718	5,504	5,320
Telephone	1,246	7,486	8,732	7,052
Printing, postage & stationery	282	1,695	1,977	3,369
Repairs, renewals & alterations	1,029	6,179	7,208	14,174
Light & heat	515	3,095	3,610	4,338
Computer & software expenses	2,255	13,439	15,694	10,158
Professional fees	119	716	835	2,743
Consultancy fees	901	5,412	6,313	11,600
Refuse collection & cleaning	367	2,204	2,571	2,756
Sundry expenses	458	2,758	3,216	4,820
Irrecoverable VAT	1,567	9,412	10,979	8,346
Depreciation of short leasehold	1,845	11,080	12,925	12,424
Depreciation of fixtures & equipment	1,557	9,349	10,906	4,396
Bank charges & interest	35	208	243	137
	<u>32,709</u>	<u>79,499</u>	<u>112,208</u>	<u>111,484</u>
Total resources expended	<u>118,810</u>	<u>442,071</u>	<u>560,881</u>	<u>518,531</u>
Net (expenditure)/income	<u>(8,189)</u>	<u>252</u>	<u>(7,937)</u>	<u>(5,217)</u>