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Charity Registration Number: 1054533  
Company Registration Number: 3172572

**The First Step Ltd**  
**(Limited by Guarantee)**

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**Trustees' Report and Financial Statements**  
**for the year ended 31st March 2017**

CHARITY COMMISSION  
FIRST CONTACT

20 DEC 2017

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**The First Step Ltd  
(Limited by Guarantee)**

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**The First Step Ltd  
(Limited by Guarantee)**

**Charlty Information**

**Charity Name:** The First Step Ltd  
(Limited by Guarantee)

**Charity Registration Number:** 1054533

**Company Registration Number:** 3172572 (registered in England)

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**Registered Office:** First Step Centre  
Old School House  
St John's Road  
Huyton  
L36 0UX

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**Principal Business Address:** First Step Centre  
Old School House  
St John's Road  
Huyton  
L36 0UX

**Telephone number:** 0151-548-3333

**Directors/Trustees:**

Chair	Jeremy Fagan	
Vice Chair	Kelly Stokes	(Resigned - 17/3/2017)
Treasurer	Andrew Cripps	
	Carole Waters	(Resigned - 5/10/2016)
	Lisa Pearson	

**Company Secretary:** Angela Cholet

**Independent Examiner:** Musker & Garrett Limited  
Edward House  
North Mersey Business Centre  
Woodward Road  
Knowsley Industrial Park  
Liverpool  
L33 7UY

**Bankers:** NatWest Bank plc  
24 New Town Gardens  
Kirkby  
L32 8RU

**Solicitors:** Heaney Watson  
44 Allerton Road  
Liverpool  
L18 1LN

**The First Step Ltd  
(Limited by Guarantee)**

**Trustees' Report for the year ended 31st March 2017**

## **Introduction**

The Trustees are pleased to present their annual report and accounts for the year ended 31<sup>st</sup> March 2017 under our new name of The First Step with the strapline: To Freedom from Domestic Abuse.

The Board of Trustees is satisfied with the performance of The First Step during the year and the position at 31<sup>st</sup> March 2017 and consider the agency is in a position to continue its activities during the coming year, and that The First Step assets are adequate to fulfil its obligations.

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## **Objectives and Activities of The First Step**

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**The First Step Vision:** *'To convert Knowsley's domestic violence & abuse challenges into real solutions by creating new ways of working to stop domestic violence & abuse'*

### ***A summary of The First Step objects as set out in its governing document***

The objects for which The First Step is established are set out in the Memorandum and Articles of Association as summarised below:

- To ensure comprehensive support and protection for people experiencing domestic abuse
- Promote inter agency co-operation and training and awareness of others active in the field
- Improve and expand the support and protection services available to sufferers of domestic abuse and where necessary promote the development of new services and facilities
- Encourage initiatives aimed at the prevention of domestic abuse
- Provide information about current services available through publicity, leaflets, posters, cards and directories.
- Monitor and evaluate the effectiveness of the service being provided in relation to the Equal Opportunities Policy

### ***An explanation of The First Step strategies for achieving its stated objectives***

To achieve its objectives a range of services is offered to any resident of the Metropolitan Borough of Knowsley (and surrounding areas for some services), who is or has been in an abusive relationship. In addition The First Step acts as a resource to other organisations, agencies etc whose clients have domestic abuse as a presenting or underlying issue.

The First Step provides direct service provision and interventions that break the cycle of domestic abuse to victim/survivors of domestic abuse. The direct services are varied and include one to one support, group programmes and refuge provision. In addition we raise awareness of domestic abuse and provide training to associate frontline workers.

### ***The contribution of volunteers***

Volunteers provide invaluable assistance to the work of the First Step, assisting in delivery of the different services we provide and in governance of the agency. The Trustees are aware of the important contribution made by volunteers and would like to record their gratitude for the commitment and hard work they give. This year volunteers contributed 350.25 hours of their time which equates to £2,959.61. As an accredited Living Wage Employer our minimum hourly rate is £8.45.

**The First Step Ltd  
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**Trustees' Report for the year ended 31st March 2017 (continued)**

***How our activities deliver Public Benefit***

We have referred to the Charity Commissions guidance on public benefit. Our main activities and services are described below including the number and range of people who have benefited from our work. All our charitable activities focus on the prevention, support and empowerment of any member of the public residing in the area in which we work who has been affected by domestic abuse. All work is undertaken to further our charitable purposes for the public benefit.

***Service User Overview*** – Across the agency we worked with 1,188 people, of these 834 were direct referrals into our services and 354 were calls seeking information, advice and signposting.

The majority of referrals identified themselves as White British with 8.8% from ethnic backgrounds. 8.1% of referrals identified as having a disability with 1.37% identifying as having more than one disability. Highest number of referrals came from the age group 18 to 40 at 65.16%. Gender split for victim/survivors was 98.36% female and 1.64% male.

Our main areas of charitable work are enabling people to be safe and stay safe, to empower and to ensure awareness of the choices available to them. This is achieved from the work described below.

***IDSVA*** – the IDSVA service (Independent Domestic & Sexual Violence Advocate) works with victim/survivors assessed as high risk and identified as most at risk from serious injury or murder. The role of the IDSVA service is to provide a pro-active and independent service at the point of crisis involving the professional provision of advice, information and support to victim/survivors of domestic abuse. The IDSVA service works within a multi agency setting towards clear and measurable outcomes, in terms of improved safety and a reduction in repeat offences. This helps to ensure that all agencies in individual cases fulfil their obligations. During 2016/17 the IDSVA service received 363 referrals. 203 one to one sessions were completed with 70 joint visits with other professionals. 139 people were supported through the criminal justice system and 58 through the civil courts. Supporting the safeguarding of children the IDSVA's attended 103 child protection meetings plus 3 vulnerable adults meetings in support of adults.

***Ross House*** – is a purpose built 36 bed refuge offering safe, supportive accommodation to women and their children escaping domestic abuse. Support services offered at the refuge include dedicated children's service including an Ofsted approved crèche. Support for the women is offered both on site and in partnership with other agencies. The number of women and children coming into refuge with complex needs continues to rise, this year nearly a third of all women had significant mental health needs, while a fifth had substance misuse issues. In 2016/17 we accommodated 50 women and 69 children. During the year staff held 1,143 one to one sessions with women and 172 with children, 57 group sessions were facilitated with women and 302 with children.

The refuge continues to be staffed 24/7 which contributes greatly to women and children feeling safe when living in the refuge. Funding from Children In Need enables us to continue providing a specialist service to children and young people staying in refuge. Resettlement of women from refuge is part of all refuge workers roles and ensures women are supported with their identified housing needs from when they enter the refuge, this includes help with Housing Benefit applications together with support registering and using the Property Pool Plus website for anyone looking for affordable housing to rent in the Merseyside area. Women and children housed outside the Knowsley area are referred, with their consent, to support agencies local to the area in which they are moving.

***InPACT/IPS*** – was our Respect accredited InPACT service (Intervening In Partner Abuse Change for Tomorrow) a programme for male perpetrators and IPs (Integrated Partner's Support) a support service for the current and /or ex partners of men attending InPACT. The sudden cessation of the funding by KMBC in March 2016 meant we had to use our reserves to wind the programme down during the first quarter of 2016/17. As these are potentially dangerous men we could not just stop the programme and refer them back to the referring agent. We continued working with the men to ensure a safe closure and provided a written report to each referring agency on his progress and the risk he posed. We also worked with the current and/or ex partners to ensure they had a safety plan in place and information/referral to support agencies in the area they lived. At the time of the programme closure we were working with 14 men and 15 current/ex partners.

**The First Step Ltd  
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**Trustees' Report for the year ended 31st March 2017 (continued)**

**First Step Project & Survivors to Thrivers project** – works directly with people who self-refer, the service offers a range of options to people including face to face support, telephone support, home visits and a variety of groups. This specialist domestic abuse service is often the first point of contact when victim/survivors are seeking support. Funded by the Henry Smith Charity and the Big Lottery Fund (BLF) the service provides initial assessment and support then goes on to provide longer term support to victim/survivors who require it. Many of the people we work with on this project are often socially isolated and harder to reach due to the fact that many do not want any other service involvement. Beneficiaries of the agency were very involved in the development of this service and their input into what kept people engaged proved invaluable in informing the direction of the service. It was the people using our service who identified that they did not want to 'just survive' they wanted to thrive hence the name: 'Survivors to Thrivers'. The service is person centred, non-judgemental and works at the pace of the person accessing the service. During 2016/17 203 victim/survivors self-referred into the service with 380 face to face support sessions.

**First Step Centre** – is our community based centre providing a safe space for victim/survivors to access services, participate in groups and attend events held. Partner agencies provide outreach services including a weekly counselling service delivered by Merseyside Listening Ear. The range of groups and programmes facilitated include the accredited Recovery Toolkit enabling women to gain OCN Level 1 award in Developing Personal Confidence and Self-Awareness, Freedom programme and a weekly computer group where participants can gain their ECDL. Additional groups including Community Cooks, DIY skills, Crafts, Arts and Stress management were also held. Unfortunately due to reduction in funding we had to move from our bespoke centre to cut our back of house costs. We were fortunate to find space to rent within the Old Schoolhouse as this centre is very much embedded in the local community and provides additional space for us to continue to deliver weekly group work.

**The First Step Ltd  
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**Trustees' Report for the year ended 31st March 2017 (continued)**

**Structure, Governance and Management**

***Governing Document***

The First Step is a charitable company limited by guarantee, incorporated 14<sup>th</sup> March 1996 and registered as a charity 11<sup>th</sup> April 1996. The company was established under a Memorandum & Articles of Association which provide the objects and powers of the charitable company and is governed under its Articles of Association.

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***Recruitment and appointment of Trustees***

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the charity. Under the requirements of the Memorandum and Articles of Association at each annual general meeting one third of trustees shall retire by rotation. The trustees to retire by rotation shall be those who have been longest serving in office since their last appointment or reappointment.

New trustees are recruited in accordance with the governing document and by the existing trustees. Trustees appointed during the year must present themselves for re-appointment at the next annual general meeting.

***Trustee Induction and training***

Trustee recruitment has been reviewed; we now have an approved process for all new trustees. Trustees are made aware of training offered by various organisations based both locally and nationally. For example: Directory of Social Change (DSC), National Council for Voluntary Organisations (NCVO), Councils for Voluntary Service (CVS) and Civil Society.

***Organisational structure of The First Step***

The trustees hold bi-monthly meetings to deal with the routine business and governance of the agency, an annual financial meeting for budget setting and an annual general meeting. Day to day decisions are delegated to the chief executive officer. Strategic developments are put before trustees for discussion, amendment and approval. Draft policies/procedures are circulated to the senior management team and then to trustees for comment and approval. Trustees are involved in annual planning days, development and implementation of the agencies strategic and operational plans.

***Related parties***

In so far as it is complementary to the charity's objectives, the charity is guided by both local and national policy.

National: At a national level the Government via the Home Office produced its Strategic Vision in the document 'A Call to end Violence Against Women and Girls' (VAWG) launched on the 25<sup>th</sup> November 2010. A VAWG action plan is produced annually which reviews progress to date and lays out their actions for the coming period including the roll out of domestic violence protection orders and the domestic violence disclosure scheme (Clare's Law).

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**Trustees' Report for the year ended 31st March 2017 (continued)**

NICE (National Institute for Health and Care Excellence) produced public guidance in February 2014. The guidance titled; 'Domestic Violence and abuse: how health services, social care and the organisations they work with can respond effectively' has 17 wide ranging recommendations.

**Local:** Knowsley Metropolitan Borough Council has undertaken a Domestic Abuse Needs Assessment produced jointly by Public Health and Policy, Impact and Intelligence on behalf of the Knowsley Partnership. Published in November 2013 the report titled – 'Domestic Abuse In Knowsley A Health Needs Assessment' concluded with 6 recommendations and identified that – '*Domestic abuse remains a significant public health issue in the borough affecting a large number of residents. The consequences of domestic abuse are extensive, have long lasting effects and impact upon a wide range of services.*'

During 2015/16 KMBC established a Domestic Abuse Governance Group (DAGG) which developed and produced a Domestic Abuse Partnership Logic Model together with an Action Plan for 2016/17.

We are aware that KMBC has established a commissioning framework through which they tender for services. The First Step worked hard to ensure we are in a position to participate in the tendering process by successfully being accepted on to three frameworks relevant to the services we provide. We successfully tendered for the refuge service in 2014.

#### ***Risk management***

The trustees confirm that the major risk to which the agency may be exposed is primarily a decrease in income including contracts, grants and/or donations. Systems have been established and are reviewed to mitigate these risks as far as is reasonably possible, this includes a Business Continuity Plan which identifies vulnerabilities and makes recommendations where appropriate to prevent extended disruption.

Internal control risks are minimised by ensuring the implementation of appropriate policies and procedures. We have appropriate procedures in place to ensure compliance with Health & Safety requirements which includes an annual review undertaken by an external third party professional.

Working in the field of domestic abuse can be demanding for staff therefore a 24/7 confidential Employee Assistance Programme has been commissioned from an external provider which staff can access at any time for both work related and personal concerns, this service includes up to six 1-1 counselling sessions. In addition we provide bi monthly on site face to face practice management from a qualified external provider.

#### **Financial Review**

##### ***Policies on reserves***

The trustees have given appropriate consideration to The First Steps requirement for reserves having regard to the principle risks to which the charity is exposed. A policy has been agreed whereby general funds, not committed to or invested in tangible fixed assets held by the charity, should equate to between 3 and 6 months expenditure.

The reserves are needed to meet the working capital requirements and the trustees believe that at this level they would have sufficient resources to continue operating in the event of a significant loss of funding while seeking alternative sources.

Reserves of general and designated funds currently stand at £160,320. This sum is clearly less than desirable and sustained efforts are being made to remedy the position. The objective remains to re-establish reserves within the levels identified as being appropriate to our circumstances.



Trustees' Report for the year ended 31st March 2017 (continued)

**Principal funding sources**

Principal funding sources are currently by way of contract and grant agreements with Knowsley Metropolitan Borough Council together with grants the Henry Smith Charity, Lloyds Bank Foundation, Big Lottery Fund and Children in Need. Housing Benefit is claimed for women when they are resident within Ross House. As an agency we always seek to diversify our income streams, in these difficult fiscal times with constraints on public sector expenditure we continue to seek income from a variety of sources including Charitable Trusts.

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**Investment Policy**

Other than the modest amount retained as reserves, almost all the charity's income is intended to be spent within months of receipt. In consequence, sourcing long term investment vehicles is not an issue for the Trustees. Funds surplus to immediate requirements are invested in deposit accounts. Current rates of return are highly unattractive but the security of the funds is the primary concern of the Trustees.

**Availability and adequacy of each of the funds**

The board of trustees is satisfied that The First Step assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

**Transactions and financial position**

The financial statements have been prepared implementing the 2005 Revision of the Statement of Recommended Practice (SORP) for Accounting and Reporting by Charities issued by the Charity Commission for England and Wales (revised June 2008) and in accordance with the Financial reporting Standard for Smaller Entities (effective April 2008). As stated in the Introduction to this report, the trustees consider the financial performance by the charity during the year to have been satisfactory.

The Statement of Financial Activities show net outgoing for the year of a revenue nature of £625,563.

The total reserves for the year end of £160,320.

Free unrestricted liquid reserves amounted to £160,320.

**Specific changes to fixed assets**

Changes in fixed assets are shown in detail in the notes to the accounts. There have been no additions to fixed assets in the current or previous year.

**Share capital**

The First Step is a company limited by guarantee and therefore has no share capital

**The First Step Ltd  
(Limited by Guarantee)**

**Trustees' Report for the year ended 31st March 2017 (continued)**

***Plans for future periods***

The First Step has 3 main objectives it will be working to achieve:

- Review and reduce our back of house costs.
  - Develop and produce an agency strategy plan in conjunction with an update and refresh of our funding strategy (2015 to 2018).
  - Ongoing funding whether from contracts, grants from big lottery and/or trusts and earned income opportunities remains a major focus of our work in the coming year.
- 

**Chief Executive Officer**

Day to day management of The First Step is delegated by the trustees to Angela Cholet the Chief Executive Officer.

**Board of Trustees to 31<sup>st</sup> March 2017**

The names of the trustees who were members of the Board of Trustees during the year and at the date the report and accounts were approved are listed on page 2.

All the directors of the company are also trustees of the charity, and their responsibilities include all the responsibilities of directors under the Companies Acts and of trustees under the Charities Acts.

The directors/trustees are all members of The First Step Charity.

**Method of preparation of accounts**

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

This report was approved by the board of trustees on 12th December 2017 and signed on its behalf by:



**Jeremy Fagan**  
Chair

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE FIRST STEP LTD**

I report on the accounts for the year ended 31 March 2017 set out on pages 11 to 19.

**Respective responsibilities of trustees and examiner**

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

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

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

**Basis of the Independent examiner's report**

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

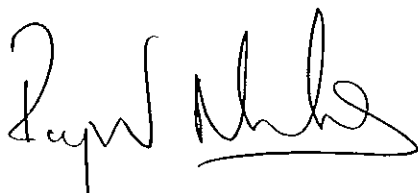
**Independent examiner's statement**

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

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

have not been met; or

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



R Musker FCA  
Institute of Chartered Accountants in England & Wales  
Musker & Garrett Limited  
Chartered Accountants  
Edward House  
North Mersey Business Centre  
Knowsley Industrial Park  
Liverpool  
Merseyside  
L33 7UY

12 December 2017

**The First Step Ltd**  
**(Limited by Guarantee)**

**Statement of Financial Activities Including Income and Expenditure Account**  
**for the year ended 31st March 2017**

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
				2017 £	2016 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	14,030	0	14,030	2,157
Activities for generating funds	3	6,535	0	6,535	3,790
Investment income	4	48	0	48	35
Incoming resources from charitable activities	5	326,495	252,099	578,594	734,321
<b>TOTAL INCOMING RESOURCES</b>		<u>347,108</u>	<u>252,099</u>	<u>599,207</u>	<u>740,303</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities	6	365,745	257,536	623,281	929,364
Governance costs	7	1,522	760	2,282	3,292
<b>TOTAL RESOURCES EXPENDED</b>		<u>367,267</u>	<u>258,296</u>	<u>625,563</u>	<u>932,656</u>
<b>NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS</b>		-20,159	-6,197	-26,356	-192,353
<b>: Net Income/(Expenditure) for the year</b>					
<b>GROSS TRANSFERS BETWEEN FUNDS</b>		0	0	0	0
<b>NET MOVEMENT IN FUNDS</b>		<u>-20,159</u>	<u>-6,197</u>	<u>-26,356</u>	<u>-192,353</u>
Total funds brought forward at 1st April 2016		<u>180,479</u>	<u>6,197</u>	<u>186,676</u>	<u>379,029</u>
Total funds carried forward at 31st March 2017		<u>160,320</u>	<u>0</u>	<u>160,320</u>	<u>186,676</u>

There are no recognised gains or losses other than the net movement in funds for the above two financial years.  
The notes on pages 13 to 19 form part of these accounts.

**The First Step Ltd**  
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**Balance Sheet at 31st March 2017**

	Note	2017 £	2016 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	11	0	0
<b>CURRENT ASSETS</b>			
Debtors	12	51,437	53,915
Cash at bank and in hand		210,927	169,274
		<u>262,364</u>	<u>223,189</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	13	102,044	36,513
<b>NET CURRENT ASSETS</b>		<u>160,320</u>	<u>186,676</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		160,320	186,676
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		0	0
<b>NET ASSETS</b>		<u>160,320</u>	<u>186,676</u>
<b>FUNDS</b>	14		
Unrestricted		160,320	180,479
Restricted		0	6,197
		<u>160,320</u>	<u>186,676</u>

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

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

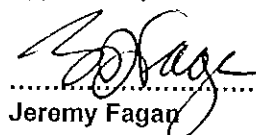
The trustees acknowledge their responsibilities for

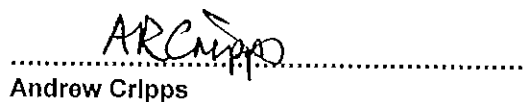
(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and

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

(b) Act 2006 relating to financial statements, so far as applicable to the charitable company.

Approved by the Board of Trustees on 13th December 2017 and signed on its behalf by:

  
.....  
Jeremy Fagan

  
.....  
Andrew Crilpps

Company Registration Number: 3172572

The notes on pages 13 to 19 form part of these accounts.

**The First Step Ltd  
(Limited by Guarantee)**

**Notes to the Financial Statements  
for the year ended 31st March 2017**

## **1 Accounting policies**

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.

This is the first time adoption of Financial Reporting Standard 102; there are no effects on transition which require disclosure in these financial statements.

### **Charitable status and taxation**

As a registered charity, the company benefits from rates' relief and is generally exempt from income tax and corporation tax. The charity is not registered for value added tax.

### **Funds**

General funds represent the funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. Funds designated for a particular purpose by the trustees are also unrestricted.

Restricted funds are funds subject to specific conditions imposed by the donors or through the terms of an appeal.

Transfers of funds are made to recognise the release of restricted funds or to meet expenditure not covered by restricted income.

The accounts include all transactions, assets and liabilities for which the charity is held responsible in law. They do not include the accounts of groups that owe their main affiliation to another body.

### **Turnover**

Turnover comprises the amounts receivable in respect of grants, donations, subscriptions and the sale of goods to customers, net of Value Added Tax and trade discounts.

### **Incoming Resources**

Donations, legacies and other voluntary income

Voluntary income received by way of grants, donations and gifts is included in the Statement of Financial Activities in the year in which it is receivable by or on behalf of the charity. 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 the grant.

The charity received substantial amounts of voluntary help from its supporters, but these services have not been included.

### **Grants receivable**

Grants are credited to the Statement of Financial Activities in the year in which they are receivable.

### **Other income**

Letting income from the use of the charity's premises is recognised when the income is receivable.

### **Income from investments**

Dividends and interest are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting period.

### **Deferred Income**

In accordance with the conditions by donors, any grants which relate to later accounting periods or alternatively are subject to conditions which are still to be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown as creditors in the accounts.

**The First Step Ltd  
(Limited by Guarantee)**

**Notes to the Financial Statements  
for the year ended 31st March 2017 (continued)**

**1 Accounting policies (cont.)**

**Resources Expended**

Costs of generating voluntary income

All expenses relating to fundraising, publicity, public relations and investment management charges are charged to this heading.

**Charitable activities**

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

**Governance costs**

These costs relate to the governance of the company itself, as opposed to the management of charitable activities or fundraising and publicity, and are primarily associated with constitutional, statutory and legal

**Irrecoverable VAT**

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

**Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Short leasehold land and buildings	-	Amortised over the period of the lease
Fixture, fittings and equipment	-	25% on cost

All equipment, fixtures and fittings with an original cost of less than £1,000 are written off in the year in which the expenditure was incurred on the basis that due to the nature of the charity's activities, there is no expectation that the cost of the assets will be recovered in the way of future revenues.

**Current Assets**

Amounts owing to the charity at 31st March 2017 in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit at the bank.

**Operating Leases**

Rentals payable in respect of operating leases where substantially all the benefits and risk of ownership remain with the lessor are charged to the Statement of Financial Activities when incurred over the term of the lease..

**Pension costs**

The charity operates defined contribution schemes for the benefit of its employees. Contributions payable are charged to the Statement of Financial Activities in the year in which they are payable.

**Contingent Liabilities and Provisions**

In accordance with the SORP, a contingent liability is disclosed for those grants, which do not represent liabilities, where the possible obligation, which arises from past events, will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control. Provisions are recognised for those grants where there is uncertainty as to the timing or amount, and any uncertainty regarding the amount is more than one of determining a basis for reasonable estimation of the liability arising from that constructive obligation.

**The First Step Ltd**  
**(Limited by Guarantee)**

**Notes to the Financial Statements**  
**for the year ended 31st March 2017 (continued)**

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2017 £	2016 £
<b>2 Voluntary Income</b>				
Lord Mayors Donation	10,000	0	10,000	0
Ormskirk Golf Club	3,880	0	3,880	0
Sundry donations	150	0	150	2,157
	<u>14,030</u>	<u>0</u>	<u>14,030</u>	<u>2,157</u>
<b>3 Activities for generating funds</b>				
Fundraising	6,535	0	6,535	3,790
	<u>6,535</u>	<u>0</u>	<u>6,535</u>	<u>3,790</u>
<b>4 Investment Income</b>				
Dividends and interest (including any reclaimed - on cash deposits)	48	0	48	35
	<u>48</u>	<u>0</u>	<u>48</u>	<u>35</u>
<b>5 Incoming resources from charitable activities</b>				
Grants:				
BBC Children in Need	0	33,831	33,831	26,699
Big Lottery Fund Grant	0	23,744	23,744	75,342
Henry Smith	0	37,000	37,000	0
Lloyds Bank Foundation	0	25,000	25,000	0
Children & Family Court Advisory Support	0	2,404	2,404	25,862
Garfield Weston Foundation	0	0	0	0
Home Office	0	20,000	20,000	20,000
Sefton Community Safety Contract	0	0	0	0
Knowsley MBC	169,738	110,000	279,738	420,939
InPACT Programme Grant	0	120	120	15,000
Noel Buxton Trust	0	0	0	0
Rental Income	155,060	0	155,060	148,045
Other Income	1,697	0	1,697	2,434
	<u>326,495</u>	<u>252,099</u>	<u>578,594</u>	<u>734,321</u>



**The First Step Ltd**  
**(Limited by Guarantee)**

**Notes to the Financial Statements**  
**for the year ended 31st March 2017 (continued)**

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
			2017 £	2016 £
<b>6 Charitable activities</b>				
Salaries and Other Staff Costs	256,885	184,795	441,680	511,645
Building Costs	49,136	25,773	74,909	79,893
Insurances	2,415	1,800	4,215	6,345
Office Costs	22,003	14,928	36,931	45,291
Repairs and Renewals	4,236	208	4,444	2,433
Cleaning (including materials)	1,809	1,957	3,766	10,052
Marketing and Promotional Materials	553	371	924	5,580
Service User Costs	2,928	14,363	17,291	33,755
Miscellaneous Expenses	4,593	3,450	8,043	3,190
Target Hardening	0	9,786	9,786	11,274
Furniture and White Goods	20,746	0	20,746	9,676
Bank Charges	441	105	546	648
Bad Debts	0	0	0	0
Depreciation on property improvements	0	0	0	0
Impairment of property improvements	0	0	0	209,582
Depreciation on furniture, fittings & equipment	0	0	0	0
	<u>365,745</u>	<u>257,536</u>	<u>623,281</u>	<u>929,364</u>
<b>7 Governance costs</b>				
Independent examiners' remuneration	1,522	760	2,282	3,292
	<u>1,522</u>	<u>760</u>	<u>2,282</u>	<u>3,292</u>
<b>8 Net Incoming resources</b>			<b>2017</b>	<b>2016</b>
			£	£
Net incoming resources is stated after charging:				
Depreciation / impairment of tangible fixed assets			0	209,582
Staff costs (see note 9)			441,680	481,587
Independent Examiner's remuneration			2,282	3,292
			<u>443,962</u>	<u>694,461</u>

**The First Step Ltd**  
(Limited by Guarantee)

**Notes to the Financial Statements**  
**for the year ended 31st March 2017 (continued)**

<b>9 Staff Costs</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Wages and Salaries	396,185	429,649
Social Security Costs	26,041	31,691
Pension Costs	19,454	20,247
	<u>441,680</u>	<u>481,587</u>

The average number of full-time equivalent employees (including casual and part-time staff) employed by the charity during the year was as follows:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Management and administration	5	5
Projects, activities and sessions	13	13
	<u>18</u>	<u>18</u>

During the year the charity employed members of staff as detailed above. None (2016: None) of whom earned more than £60,000 p.a. The trustees received £Nil remuneration (2016: £Nil) during the year. Trustees were reimbursed travelling and subsistence expenses of £47 (2016: £74) for the year.

#### 10 Pensions

The company operates defined contribution schemes in respect of certain employees. The schemes and their assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £19454 (2016: £20247).

#### 11 Tangible Fixed Assets

	<b>Short leasehold property £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>			
At 1st April 2016	423,479	149,406	572,885
Additions	0	0	0
Disposals	423,479	0	423,479
At 31st March 2017	<u>0</u>	<u>149,406</u>	<u>149,406</u>
<b>DEPRECIATION</b>			
At 1st April 2016	423,479	149,406	572,885
Impairments	0	0	0
Depreciation on disposals	423,479	0	423,479
At 31st March 2017	<u>0</u>	<u>149,406</u>	<u>149,406</u>
<b>NET BOOK VALUE</b>			
At 31st March 2017	<u>0</u>	<u>0</u>	<u>0</u>
At 31st March 2016	<u>0</u>	<u>0</u>	<u>0</u>

**The First Step Ltd**  
(Limited by Guarantee)

**Notes to the Financial Statements**  
for the year ended 31st March 2017 (continued)

**12 Debtors**

	2017	2016
	£	£
Trade debtors	47,207	47,638
Prepayments	4,230	6,277
	<u>51,437</u>	<u>53,915</u>

**13 Creditors: Amounts falling due within one year**

	2017	2016
	£	£
Trade creditors	7,289	5,254
Other creditors	8,288	2,607
Accruals	11,597	18,690
Deferred Income	74,870	9,962
	<u>102,044</u>	<u>36,513</u>

**14 Analysis of Net Assets by Fund**

	Unrestricted Funds £	Restricted Funds £	Total £
Fixed Assets	0	0	0
Current Assets	262,364	0	262,364
Current Liabilities	(102,044)	0	(102,044)
<b>Fund Balance</b>	<u>160,320</u>	<u>0</u>	<u>160,320</u>

**15 Movement on funds**

	At 1st April 2016 £	Incoming Resources (Inc. gains) £	Outgoing Resources £	Transfers £	At 31st March 2017 £
<b>Unrestricted funds</b>					
General fund	180,479	347,108	367,267	0	160,320
Capital asset fund	0	0	0	0	0
<b>Total unrestricted funds</b>	<u>180,479</u>	<u>347,108</u>	<u>367,267</u>	<u>0</u>	<u>160,320</u>
<b>Restricted funds</b>					
Big Lottery Fund	0	23,744	23,744	0	0
BBC Children In Need	96	33,831	33,927	0	0
Home Office Fund	0	20,000	20,000	0	0
IDSVA Fund	0	110,000	110,000	0	0
Impact fund	0	120	120	0	0
Henry Smith	0	37,000	37,000	0	0
Lloyds Bank Foundation	0	25,000	25,000	0	0
Target Hardening Fund	6,101	2,404	8,505	0	0
<b>Total restricted funds</b>	<u>6,197</u>	<u>252,099</u>	<u>258,296</u>	<u>0</u>	<u>0</u>
<b>Total funds</b>	<u>186,676</u>	<u>599,207</u>	<u>625,563</u>	<u>0</u>	<u>160,320</u>

**The First Step Ltd  
(Limited by Guarantee)**

**Notes to the Financial Statements  
for the year ended 31st March 2017 (continued)**

**16 Fund Details**

Details of the various funds held by the charity are as follows:

<b>Name of fund</b>	<b>Description, nature and purposes of the fund</b>
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Unrestricted funds

General fund	Any monies not included in any other fund.
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Capital asset fund	This fund represents the property improvements to the First Step Centre.
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Restricted funds

Big Lottery Fund	This relates to monies provided by the Big Lottery Fund towards salaries and costs relating to specific domestic abuse work.
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BBC Children in Need	Grant from BBC Children In Need to provide a Children & Young People's service within the Refuge
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Home Office Fund	This fund provides supports the salary costs of specialist Independent Domestic & Sexual Violence Advocates.
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IDSVA Fund	This fund supports the appointment of specialist Independent Domestic & Sexual Violence Advocates.
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Impact fund	This fund supports the cost of the male perpetrator rehabilitation programme "InPACT" which is for men who express a desire to change their abusive behaviour and the IPS (Integrated Partner Service) for the current and ex-partners of men attending InPACT.
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The Henry Smith Charity	This fund provides the salary costs of the Snr. Domestic Abuse Worker plus contribution to programme delivery and running costs.
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Lloyds Bank Foundation	This fund contributes to the CEO salary costs.
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Target Hardening Fund	This fund provides the resources for additional security measures to make the homes of victims/survivors safer.
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The trustees are satisfied that the assets available in each fund are adequate to fulfil its obligations in respect of each fund.

**17 Taxation**

As a charity, The First Step Ltd is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

**18 Contingent liabilities**

The company had no contingent liabilities at 31st March 2017 (2016: None).

**19 Related Parties**

The charity occupies premises owned by a related charity "PCC Kirkby" (No:1130754) of which two trustees of The First Step are also trustees of that charity. During the year £6,483 (2016 - £9,725) was paid to that charity under an "arms length" leasing arrangement.

**20 Capital commitments**

The company had no capital commitments at 31st March 2017 (2016: None) either contracted for or authorised by the directors but not contracted for.

**21 Members' liability**

The company is limited by guarantee, and, in the event of the winding up of the company, the liability of each member (including those members who have served within the previous twelve months) is limited to a contribution of £1 towards the cost of dissolution and the liabilities incurred by the charity while the contributor was a member.

**22 Controlling party**

The charity is controlled by its board of trustees.