

Charity Registration No. 105433

Company Registration No. 03172572 (England and Wales)

THE FIRST STEP LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

THE FIRST STEP LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J D Fagan Mrs L M Pearson Mrs M E Weston Mr K Rigby Mrs N J Harris	(Appointed 19 April 2018) (Appointed 19 April 2018) (Appointed 19 April 2018)
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Secretary	Ms A E Cholet
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Charity number	105433
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Company number	03172572
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Registered office	The Old Schoolhouse St John's Road Huyton Merseyside L36 0UX
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Independent examiner	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL
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Bankers	NatWest Bank Aintree Liverpool L9 0EG
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Solicitors	MSB Solicitors MSB House 20-22 Tapton Way Wavertree Business Village Liverpool L13 1DA
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THE FIRST STEP LTD

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THE FIRST STEP LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2018

The Trustees (who are the directors of the company for company law) are pleased to present their annual report and accounts for the year ended 31st March 2018.

The Board of Trustees is satisfied with the performance of The First Step during the year and the position at 31st March 2018 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.

The financial statements have been prepared in accordance with the accounting policies and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

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 as set out in its governing document:

The objectives 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 are 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 victims/survivors. 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 trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

THE FIRST STEP LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Achievements and performance

Service User Overview – Across the agency we worked with 769 people. Support provided included 2,454 face to face meetings, 433 group sessions delivered, 103 attendances at court to support victim/survivors and 173 child protection meetings attended.

The majority of service users identified themselves as White British with 5.4% from ethnic backgrounds. 8% identified as having a disability with 0.92% identifying as having more than one disability. Highest number of service users came from the age group 21 to 50 at 82.8%. Gender split for victim/survivors was 97.4% female and 2.6% 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 2017/18 the IDSVA service received 345 referrals. 208 face to face sessions were completed with 43 joint visits with other professionals. 107 people were supported through the criminal justice system and 55 through the civil courts. Supporting the safeguarding of children, the IDSVA's attended 76 child protection meetings.

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 with 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 41.5% of all women had significant mental health needs, while a fifth had substance misuse issues. In 2017/18 we accommodated 53 women and 68 children. During the year staff held 1,614 one to one sessions with women and 116 with children, 102 group sessions were facilitated with women and 269 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.

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 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 2017/18 188 victim/survivors self-referred into the service with 254 face to face support sessions.

THE FIRST STEP LTD

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

FOR THE YEAR ENDED 31 MARCH 2018

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 and the Freedom programme. The First Step centre is based within the Old Schoolhouse which houses other voluntary/community groups providing a hub of activities for the local community.

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 324.25 hours of their time which equates to £ 2,837.19. As an accredited Living wage employer our minimum hourly rate is £8. 75.

How our activities provide public benefit

We have referred to the Charity Commission's guidance on public benefit. Our main activities and services have been described in this report 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 which we work whom has been affected by domestic abuse. All our work is undertaken to further our charitable purposes for the public benefit.

Financial review

The trustees have given appropriate consideration to The First Step's requirement for reserves having regard to the principle risks to which the charity is exposed. The reserves policy has been reviewed, agreed and adopted and states that general funds, not committed to or invested in tangible fixed assets held by the charity, should equate to a minimum of 3 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 £185,372. The objective remains to maintain a minimum of 3 months' reserves and to build on this figure when the opportunity arises.

Principal funding sources

Principal funding sources are currently by way of contract and grant agreements with Knowsley Metropolitan Borough Council together with grants from the Henry Smith Charity, Lloyds Bank Foundation, Big Lottery fund, Children In Need and the Ten Percent Foundation. Housing Benefit is claimed for women when they are a 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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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

Investment Policy

Other than the modest amount retained as reserves, almost all the charity's income is intended to be spent within the year 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 2016 Revision of the Statement of Recommended Practice (SORP) for Accounting and Reporting by Charities issued by the Charity Commission for England and Wales (revised January 2016) and in accordance with the Financial Reporting Standard 102. 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 incoming resources for the year of a revenue nature of £21,214.

The total reserves for the year end of £185,372.

Free unrestricted liquid reserves amounted to £181,534.

Specific changes to fixed assets

Changes in fixed assets are shown in detail in the notes to the financial statements to the accounts.

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. The Trustees 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.

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.
- Review our agency strategic plan in conjunction with an update and refresh of our funding strategy.
- Ongoing funding whether from our contacts, grants from big lottery and/or trusts and earned income opportunities remains a major focus of our work in the coming year.

Structure, governance and management

The First Step is a company limited by guarantee, incorporated 14th March 1996 and registered as a charity 11th 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.

THE FIRST STEP LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr J D Fagan

Mr A R Cripps

(Resigned 12 March 2018)

Mrs L M Pearson

Mrs M E Weston

(Appointed 19 April 2018)

Mr K Rigby

(Appointed 19 April 2018)

Mrs N J Harris

(Appointed 19 April 2018)

The directors of the company are also charity trustees for the purpose 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 general meeting.

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.

Trustee recruitment has been reviewed; we now have an approved process for all new trustees. Trustees are made aware of the 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 Services (CVS) and Civil Society.

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 it's Strategic Vision in the document "A Call to end Violence Against Women and Girls" launched on the 25th 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).

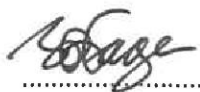
Local: Knowsley Metropolitan Borough Council has produced a Domestic Abuse Reduction Strategy 2017-2020, alongside the strategy they have an Action Plan with a Logic Model. The development of a multi-agency Domestic Abuse Operational group will drive forward delivery of the action plan.

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.

THE FIRST STEP LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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



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Mr J D Fagan

Trustee

Dated: 6/11/18

THE FIRST STEP LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2018

The trustees, who are also the directors of The First Step Ltd for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE FIRST STEP LTD

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

I report to the trustees on my examination of the financial statements of The First Step Ltd (the charity) for the year ended 31 March 2018.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

DSG

DSG

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

Dated: 6/11/18

THE FIRST STEP LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Income from:</u>					
Donations and legacies	3	5,622	-	5,622	14,030
Charitable activities	4	331,923	301,136	633,059	578,594
Other trading activities	5	-	-	-	6,535
Investments	6	4	-	4	48
Total income		337,549	301,136	638,685	599,207
<u>Expenditure on:</u>					
Charitable activities	7	316,335	301,136	617,471	625,562
Net income/(expenditure) for the year/ Net movement in funds		21,214	-	21,214	(26,355)
Fund balances at 1 April 2017		160,320	-	160,320	186,675
Fund balances at 31 March 2018		181,534	-	181,534	160,320

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

All income and expenditure derive from continuing activities.

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

THE FIRST STEP LTD

BALANCE SHEET

AS AT 31 MARCH 2018

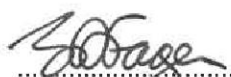
	Notes	2018 £	£	2017 £	£
Current assets					
Debtors	13	24,150		51,437	
Cash at bank and in hand		230,317		210,927	
		<u>254,467</u>		<u>262,364</u>	
Creditors: amounts falling due within one year	14	(72,933)		(102,044)	
Net current assets			<u>181,534</u>		<u>160,320</u>
Income funds					
Restricted funds	15		-		3,450
<u>Unrestricted funds</u>					
Designated funds	16	5,121		-	
General unrestricted funds		<u>176,413</u>		<u>156,870</u>	
			<u>181,534</u>		<u>156,870</u>
			<u>181,534</u>		<u>160,320</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

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

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

The financial statements were approved by the Trustees on 6/11/18



Mr J D Fagan

Trustee

Company Registration No. 03172572

THE FIRST STEP LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Charity information

The First Step Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is The Old Schoolhouse, St John's Road, Huyton, Merseyside, L36 0UX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Rent receivable is recognised in the period to which it relates.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

THE FIRST STEP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

1.5 Resources expended

Charitable activities comprise 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 relate to the governance of the charitable company and are primarily associated with constitutional, statutory and legal in nature.

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Fixtures and fittings	25% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Basic financial assets

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

THE FIRST STEP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.9 Employee benefits

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

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

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	2018	2017
	£	£
Donations and gifts	5,622	14,030

THE FIRST STEP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

4 Charitable activities

	2018 £	2017 £
Performance related grants	470,874	421,837
Charitable rental income	158,447	155,060
Other income	3,738	1,697
	<u>633,059</u>	<u>578,594</u>
Analysis by fund		
Unrestricted funds	331,923	
Restricted funds	<u>301,136</u>	
	<u>633,059</u>	
For the year ended 31 March 2017		
Unrestricted funds		326,495
Restricted funds		<u>252,099</u>
		<u>578,594</u>
Performance related grants		
BBC Children in Need	30,641	33,831
Big Lottery Fund	113,695	23,744
Henry Smith	36,800	37,000
Lloyds Bank Foundation	25,000	25,000
Children & Family Court Advisory Support	-	2,404
Home Office	-	20,000
Knowsley MBC - IDSVA	95,000	110,000
InPACT Programme	-	120
Knowsley MBC - Ross House	169,738	169,738
	<u>470,874</u>	<u>421,837</u>

5 Other trading activities

	2018 £	2017 £
Fundraising events	<u>-</u>	<u>6,535</u>

THE FIRST STEP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

6 Investments

	2018	2017
	£	£
Interest receivable	4	48

7 Charitable activities

	2018	2017
	£	£
Staff costs	425,242	441,680
Building costs	74,578	74,908
Insurance	3,473	4,215
Office costs	21,221	36,931
Repairs and renewals	5,729	4,444
Cleaning	5,296	3,766
Marketing and promotions	-	924
Service user costs	36,119	17,291
Miscellaneous expenses	7,489	-
Target Hardening	-	9,786
Furniture and white goods	10,540	20,746
Bank charges	627	546
Professional fees	25,315	8,043
	615,629	623,280
Share of governance costs (see note 8)	1,842	2,282
	617,471	625,562

8 Support costs

	Support costs	Governance costs	2018	2017	Basis of allocation
	£	£	£	£	
Independent examination	-	1,842	1,842	2,282	Governance
	-	1,842	1,842	2,282	
Analysed between Charitable activities	-	1,842	1,842	2,282	

THE FIRST STEP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

9 Trustees

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

10 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
Management and administration	5	5
Projects, activities and sessions	14	13
	<u>19</u>	<u>18</u>

Employment costs

	2018 £	2017 £
Wages and salaries	378,301	396,185
Social security costs	26,151	26,041
Other pension costs	20,790	19,454
	<u>425,242</u>	<u>441,680</u>

There were no employees whose annual remuneration was £60,000 or more.

THE FIRST STEP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

11 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.

12 Financial instruments	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	24,150	47,207
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	11,617	27,174
	<u> </u>	<u> </u>

13 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Trade debtors	-	47,207
Other debtors	24,150	-
Prepayments and accrued income	-	4,230
	<u> </u>	<u> </u>
	24,150	51,437
	<u> </u>	<u> </u>

14 Creditors: amounts falling due within one year

	Notes	2018 £	2017 £
Deferred income		61,316	74,870
Trade creditors		7,782	7,289
Other creditors		3,835	8,288
Accruals		-	11,597
		<u> </u>	<u> </u>
		72,933	102,044
		<u> </u>	<u> </u>

THE FIRST STEP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

15 Restricted funds

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

	Balance at 1 April 2017	Movement in funds		Balance at 31 March 2018
	£	Incoming resources	Resources expended	£
Children in Need	-	30,641	(30,641)	-
Big Lottery fund	-	113,695	(113,695)	-
IDSVA	-	95,000	(95,000)	-
Henry Smith	-	36,800	(36,800)	-
Lloyds	-	25,000	(25,000)	-
	-	301,136	(301,136)	-

BBC Children in Need - grant from BBC Children in Need to provide a Children & Young People's service within the refuge.

The Henry Smith Charity - this fund provides the salary cost of the Senior Domestic Abuse Worker plus contribution to programme delivery costs.

Big Lottery Fund - this relates to monies provided by the Big Lottery Fund towards salaries and costs relating to specific domestic abuse work.

IDSVA Fund - this fund supports the salary costs of specialist Independent Domestic & Sexual Violence Advocates.

Lloyds - this fund contributes to the CEO salary costs.

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2017	Movement in funds			Balance at 31 March 2018
	£	Incoming resources	Resources expended	Transfers	£
Service user funds	-	-	-	5,121	5,121
	-	-	-	5,121	5,121

Service users fund - The trustees have identified £5,121 of funds that have been allocated to spend on supporting service users in future periods.

THE FIRST STEP LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

17 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 during 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.

18 Related party transactions

There were no disclosable related party transactions during the year (2017 - none).

19 Controlling party

The charity is controlled by its Board of Trustees.