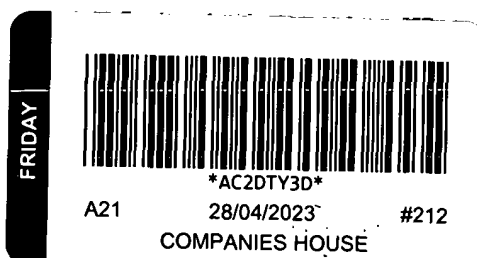


REGISTERED COMPANY NUMBER: 04305048 (England and Wales)
REGISTERED CHARITY NUMBER: 1091258

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022
FOR
STEP BY STEP SCHOOL LIMITED**

WBD Accountants Limited
Statutory Auditor
Marlbridge House
Enterprise Way
Edenbridge
Kent
TN8 6HF



STEP BY STEP SCHOOL LIMITED

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STEP BY STEP SCHOOL LIMITED (REGISTERED NUMBER: 04305048)

REPORT OF THE TRUSTEES

for the Year Ended 31 AUGUST 2022

The Trustees of the charity who are also Directors are pleased to present their annual report together with the financial statements of the charity for the year ending 31 August 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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, effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The primary activity of the charity is to run Step by Step School, an independent special day school. The School aims to offer an exceptional provision for pupils with autistic spectrum conditions, ranging in age from 4-19, through the delivery of individually tailored teaching programs. All the children have Education, Health and Care Plans (EHCPs).

The School has developed a high degree of expertise in teaching children and young people with autism. The public benefit of the charity is to provide specialist education in the region for children who are moderately to severely affected by autism. The School also provides advice to parents (pupils and non-pupils) to help them overcome the challenges of having a child or young person at home with autism.

The mission of the charity is to maximise the potential of pupils with Autistic Spectrum Conditions (ASCs) through evidence based, individually tailored, outstanding teaching to enable them to thrive and live happy, confident lives.

The overall goals of the charity are as follows:-

- To develop in each pupil the skills they need to achieve as high a standard of independence as possible.
- To enable pupils to express choice, exercise control over themselves and their environment and achieve their full potential.
- To provide a highly modified curriculum differentiated to meet the individual needs of each pupil through an appropriately broad and balanced programme of education.
- To ensure the acquisition of appropriate communication skills for active participation in day-to-day experiences and to enhance pupils' social and emotional growth.
- To monitor and record progress regularly and consistently, ensuring that pupils are appropriately challenged in order to maximise personal development and enhance quality of life.
- To nurture and encourage the development of positive, caring relationships between pupils, their peers and the staff.
- To create a secure environment within which the pupils develop a sense of confidence and self-esteem.
- To build working partnerships with parents/carers in order to promote confidence and develop mutual support and consistency between home and School.
- To co-operate positively with other professionals and specialist services so all of the pupils' needs are addressed.
- To encourage interaction between School and the local community to promote inclusive opportunities.
- To provide training and support to our staff, to ensure that they are competent and confident in their roles and to promote their professional development.
- To maintain our position at the forefront of knowledge in the education of children with autism.

Step by Step School is committed to safeguarding and promoting the welfare of children and young people, and expects all staff and volunteers to share this commitment.

**REPORT OF THE TRUSTEES
for the Year Ended 31 AUGUST 2022**

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Trustees consider that the School has continued to develop in line with the objectives of the charity during 2021/22, and would like to highlight the following developments:-

- The School opened its new wing, known as the Susan James Wing, in September, with an official launch in October by the local MP, providing 2 new classrooms, a sixth form common room, staffroom and conference suite.
- The School has a rigorous and robust pupil progress data system that is shared with Governors. During the 2021/22 academic year, 97% of pupils made good or outstanding progress. The School uses a basket of measures to track progress and these are reported to Governors termly, alongside a more detailed progress report each October.
- The School continued to work with a School Partnership Advisor (SPA), who provides independent scrutiny of the School across the areas in the OFSTED framework and in meeting the Independent School Standards. The SPA reports directly to the Board of Trustees following each visit. There are 6 visits a year.
- The School works in a school improvement "Triad" with two other ABA schools, Jigsaw and Quest. The leadership teams meet half termly and there are both teacher and behaviour analyst groups to share good practice and exchange ideas. The Triad schools quality assure each other's provision.
- Demand for places at Step by Step School continued to be strong. We had 33 pupils on roll at the end of the academic year 2021/22.
- At the end of the academic year 2021/22 we had 65 members of staff including 5 Qualified Teachers, 6 Board Certified Behaviour Analysts, a full time Occupational Therapist and 2 Speech and Language Therapists.
- During the academic year, the School funded 1 member of staff in undertaking a PhD, 3 with their ABA masters. The School also supported two members of staff to obtain their Registered Behaviour Technician qualification. Continuing professional development is a key priority for the School.
- The Head Teacher became a qualified school improvement partner and the Teacher-in-charge was promoted to Deputy Head following completion of a leadership course.
- The School has 2 members of staff that are trained to deliver the positive behaviour strategy, 'Team Teach'.
- The School operates a robust staff appraisal system. There were 122 targets set across 49 staff during the year, of which 11.5% exceeded, 72% met, 10% are ongoing and 6.5% not met or discontinued due to a change of role or staffing capacity.
- The School hosted a successful reading conference, with presenters from other ABA provisions and Dr Corinne Grindle. Fundraised money was used to establish the new library at the School.
- The School presented at the Jigsaw conference (focus was on paired and group teaching).
- A priority in teaching and learning throughout the year was developing Natural Environment Teaching. This was bespoke to each pupil and was demonstrated to governors in a work scrutiny presentation in the summer term.
- Three deep dives were presented to the Teaching and Learning committee on Reading, Relationships and Sex Education and Numeracy (shape, space and measures) and three pupil progress case studies.
- A new pupil council was established to promote pupil voice and increase their input into the School's provision and activities.
- Preparatory works for an additional barn wing began with the removal of a portakabin and associated ground works.
- An audit of resources linked to equality and diversity was undertaken, alongside work with the pupils on equalities.

**REPORT OF THE TRUSTEES
for the Year Ended 31 AUGUST 2022**

- The School secured additional work experience opportunities for pupils, both on and offsite to promote transition to adulthood and support our vision and values statement.

- The governing body was restructured to include two committees, one for Teaching and Learning as well as an HR and Finance one. These operate under the full governing body structure with agreed terms of reference.

Financial review

Principal funding sources

The principal source of income for the School is fees paid by Local Authorities. The Trustees are aware that offering good value for money is paramount when operating in the current economic climate and are committed to continuing to provide that. We apply as much fee income as possible to the benefit of the pupils attending the School.

We had significant success with fundraising during 2021/22 and raised a total of £21,903 of unrestricted funds and £1,024 of restricted funds.

The Trustees would like to thank all the charities, companies, clubs, organisations and individuals who supported us during 2021/22 both financially and otherwise, and in particular, would like to thank the following donors:-

- East Grinstead Rugby Football Club - Sunshine Sevens
- East Sussex Fundraising Committee
- Sussex Police
- HFG Golf Day
- Graham James
- Ceccato family
- Pupils, Parents, Staff, Governors of our school for various fundraising efforts

Reserves policy

The Trustees have a policy (last updated on 24th November 2014) that the Free Reserves held by the charity should equal at least three months of projected Total Resources Expended. The Trustees define Free Reserves as unrestricted funds not invested in tangible fixed assets, not yet committed or designated for a specific purpose, and excluding liabilities falling due after more than one year (e.g. non-current portion of debt). At this level of Free Reserves, the Trustees consider that the charity would be able to continue operating in the event of a significant drop in incoming resources.

At the end of August 2022, the Free Reserves amounted to £675,338 equal to 3.6 months of projected Total Resources Expended for 2022/23, a level which is considered acceptable by the Trustees

Financial and risk management objectives and policies

Key Indicators of Financial Performance

School fee income in 2021/22 increased by 5.1% vs prior year due to a higher number of pupils. Total resources expended increased by 5.6% vs prior year.

The charity has a fixed rate loan from NatWest to fund part of the capital expenditure for the new Susan James Wing and at end of August 2022 had a loan outstanding of £240,426.

Risk Management

The Trustees regularly review the risks to which the charity is exposed to ensure appropriate controls are in place and to provide reasonable assurance against fraud and error. The risks associated with running Step by Step School are both operational and strategic. Operational risks are managed on a day to day basis by the Head Teacher and the staff, whilst the strategic risks, being mainly legal and financial, are managed by the Board on a periodic basis through Board meetings, where budget monitoring is a standing item. The charity holds the appropriate level of insurance against fire and perils, liability and professional indemnity

STEP BY STEP SCHOOL LIMITED (REGISTERED NUMBER: 04305048)

**REPORT OF THE TRUSTEES
for the Year Ended 31 AUGUST 2022**

STRATEGIC REPORT

Future plans

The School is registered for 40 pupils following a Department for Education Ofsted Material Change Inspection in July 2021. The Trustees intend to expand the School gradually, whilst maintaining the quality of the provision at a very high level.

The Trustees have completed some initial research into how the charity might support the development of post 19 educational opportunities in the region, including for example by partnering with other charities and providers. There are no plans currently to offer post 19 provision

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing documents, a deed of trust, and constitutes a limited company limited by guarantee, as defined by the Companies Act 1985.

Recruitment and appointment of new trustees

There are two types of Trustees: Parent and Independent. The authorised number of Trustees is nine made up of two Parent Trustees and seven Independent Trustees. The Parent Trustees are decided by a vote amongst the current parents and the Independent Trustees are recruited through personal recommendations and through on-line platforms such as Inspiring Governance.

Organisational structure

All Directors of the company are also Trustees of the charity and there are no other Trustees. The Trustees serving are noted below. Each Trustee is also a School Governor.

Decision making

The Governors meet as a full Board and as two Board committees: Teaching & Learning and HR & Finance. All key decisions require approval at the full Board. Individual Governors take on preparatory work in advance of a Board meeting, for example reviewing certain school policies assigned to them. Governors visit the School during the day 2-3 times a year to monitor progress within a focused area of the School Improvement Plan as part of a Quality Assurance cycle. A professional Clerk supports the work of the Governors.

The Governing Board also includes the Head Teacher and a Staff Governor voted by staff. The Head Teacher and the Staff Governor are not Trustees nor Company Directors.

Day to day management of the School is delegated to the Head Teacher, who reports to the Chair of the Board. The distinction between the operational and strategic roles is clear and is reinforced through Trustee induction and ongoing training.

Induction and training of new trustees

All Trustees are subject to an enhanced DBS check and are required to undertake training in Safeguarding/Child Protection and the role of a School Governor. All Trustees also receive induction training (including gaining an appreciation of all policies and procedures of the School) from the Head Teacher and the Chair of the Board. After induction, Trustees are provided with both ongoing individual and group training sessions, delivered on-line and by outside trainers.

Each Trustee is formally appointed for a four year term at the Annual General Meeting of the Members of the charity which usually takes place during the first quarter of each calendar year. Should a vacancy arise during the year, the Board has the power to co-opt a new Trustee for an interim period until the next AGM.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04305048 (England and Wales)

Registered Charity number
1091258

STEP BY STEP SCHOOL LIMITED (REGISTERED NUMBER: 04305048)

**REPORT OF THE TRUSTEES
for the Year Ended 31 AUGUST 2022**

Registered office

Step By Step School
Grinstead Lane
Sharphorne
East Grinstead
West Sussex
RH19 4HP

Trustees

S King Director
Dr C James Director
Ms A Burdge Director
Mrs J Moss Director
Ms B Gan Director
Ms N Smart Director (appointed 4.10.21)
D Tilbury Director (appointed 4.10.21) (resigned 1.7.22)

Auditors

WBD Accountants Limited
Statutory Auditor
Marlbridge House
Enterprise Way
Edenbridge
Kent
TN8 6HF

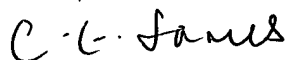
Bankers

National Westminster Bank plc
Tunbridge Wells (A) Branch
89 Mount Pleasant Road
Tunbridge Wells
TN1 1QJ

AUDITORS

The auditors, WBD Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 8 March 2023 and signed on the board's behalf by:



.....
Dr C James - Trustee

STEP BY STEP SCHOOL LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES for the Year Ended 31 AUGUST 2022

The trustees (who are also the directors of Step By Step School Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STEP BY STEP SCHOOL LIMITED

Opinion

We have audited the financial statements of Step By Step School Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STEP BY STEP SCHOOL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STEP BY STEP SCHOOL LIMITED

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements, including how fraud may occur by enquiring of management of its own consideration of fraud.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the compliance with the education, health and safety and various legislation governing safeguarding children and we considered the extent to which non compliance might have a material effect on the financial statements of the company.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and Companies Act 2006.

In addition, we considered provisions of other laws and regulations that do not have a direct impact on financial statements but compliance with which may be fundamental to the company's ability to operate or avoid a material penalty. These include data protection and employment.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls and determined that the principal risks were related to revenue recognition, posting inappropriate journal entries and management bias in accounting estimates and judgement areas of the financial statements such as accruals and carrying value of fixed assets.

Audit procedures performed by the engagement team included:

- Discussions with management and review of third party reports, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Understanding of the management's internal controls designed to prevent and detect irregularities
- Reviewing relevant meeting minutes.
- System walk-through tests used to develop an in depth understanding of the entity's control environment, however minimal reliance is placed on control within the audit approach. Substantive test of detail carried out, with a broad scope, in order to explore all aspects of revenue recognition.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
STEP BY STEP SCHOOL LIMITED**

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error as fraud may involve deliberate concealment, by for example, forgery or intentional misrepresentation or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

K G Wood

K G Wood FCCA (Senior Statutory Auditor)
for and on behalf of WBD Accountants Limited
Statutory Auditor
Marlbridge House
Enterprise Way
Edenbridge
Kent
TN8 6HF

8 March 2023

STEP BY STEP SCHOOL LIMITED**STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 AUGUST 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	31.8.22 Total funds £	31.8.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	50,970	1,024	51,994	184,804
Charitable activities	5				
School running		2,267,011	-	2,267,011	2,157,263
Other trading activities	3	5,859	-	5,859	5,890
Investment income	4	7,803	-	7,803	6,283
Total		<u>2,331,643</u>	<u>1,024</u>	<u>2,332,667</u>	<u>2,354,240</u>
EXPENDITURE ON					
Raising funds	6	3,323	-	3,323	1,055
Charitable activities	7				
School running		2,086,367	20,784	2,107,151	1,995,157
Support costs		<u>28,656</u>	<u>-</u>	<u>28,656</u>	<u>29,581</u>
Total		<u>2,118,346</u>	<u>20,784</u>	<u>2,139,130</u>	<u>2,025,793</u>
NET INCOME/(EXPENDITURE)		213,297	(19,760)	193,537	328,447
RECONCILIATION OF FUNDS					
Total funds brought forward		1,593,437	208,424	1,801,861	1,473,414
TOTAL FUNDS CARRIED FORWARD		<u>1,806,734</u>	<u>188,664</u>	<u>1,995,398</u>	<u>1,801,861</u>

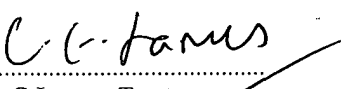
The notes form part of these financial statements

STEP BY STEP SCHOOL LIMITED (REGISTERED NUMBER: 04305048)

**BALANCE SHEET
31 AUGUST 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	31.8.22 Total funds £	31.8.21 Total funds £
FIXED ASSETS					
Tangible assets	13	1,322,882	184,713	1,507,595	1,589,531
CURRENT ASSETS					
Stocks	14	454	-	454	901
Debtors	15	27,416	-	27,416	22,691
Cash at bank and in hand		<u>762,819</u>	<u>3,951</u>	<u>766,770</u>	<u>563,369</u>
		790,689	3,951	794,640	586,961
CREDITORS					
Amounts falling due within one year	16	<u>(89,851)</u>	-	<u>(89,851)</u>	<u>(112,952)</u>
NET CURRENT ASSETS		<u>700,838</u>	<u>3,951</u>	<u>704,789</u>	<u>474,009</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,023,720	188,664	2,212,384	2,063,540
CREDITORS					
Amounts falling due after more than one year	17	<u>(216,986)</u>	-	<u>(216,986)</u>	<u>(261,679)</u>
NET ASSETS		<u>1,806,734</u>	<u>188,664</u>	<u>1,995,398</u>	<u>1,801,861</u>
FUNDS	21				
Unrestricted funds				1,806,734	1,593,438
Restricted funds				<u>188,664</u>	<u>208,423</u>
TOTAL FUNDS				<u>1,995,398</u>	<u>1,801,861</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 8 March 2023 and were signed on its behalf by:


.....
Dr C James - Trustee

The notes form part of these financial statements

STEP BY STEP SCHOOL LIMITED**CASH FLOW STATEMENT
for the Year Ended 31 AUGUST 2022**

	Notes	31.8.22 £	31.8.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>289,621</u>	<u>451,863</u>
Net cash provided by operating activities		<u>289,621</u>	<u>451,863</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(64,450)	(930,823)
Sale of tangible fixed assets			501
Interest received		<u>7,803</u>	<u>6,283</u>
Net cash used in investing activities		<u>(56,647)</u>	<u>(924,039)</u>
Cash flows from financing activities			
New loans in year		-	300,000
Loan repayments in year		<u>(29,573)</u>	<u>(37,152)</u>
Net cash (used in)/provided by financing activities		<u>(29,573)</u>	<u>262,848</u>
Change in cash and cash equivalents in the reporting period		<u>203,401</u>	<u>(209,328)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>563,369</u>	<u>772,697</u>
Cash and cash equivalents at the end of the reporting period		<u>766,770</u>	<u>563,369</u>

The notes form part of these financial statements

STEP BY STEP SCHOOL LIMITED

**NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 AUGUST 2022**

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

	31.8.22	31.8.21
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	193,537	328,447
Adjustments for:		
Depreciation charges	146,258	98,529
Loss/(profit) on disposal of fixed assets	128	(449)
Interest received	(7,803)	(6,283)
Decrease in stocks	447	113
(Increase)/decrease in debtors	(4,725)	139
(Decrease)/increase in creditors	<u>(38,221)</u>	<u>31,367</u>
Net cash provided by operations	<u>289,621</u>	<u>451,863</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21	Cash flow	At 31.8.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>563,369</u>	<u>203,401</u>	<u>766,770</u>
Debt			
Debts falling due within 1 year	(8,320)	(15,120)	(23,440)
Debts falling due after 1 year	<u>(261,679)</u>	<u>44,693</u>	<u>(216,986)</u>
	<u>(269,999)</u>	<u>29,573</u>	<u>(240,426)</u>
Total	<u>293,370</u>	<u>232,974</u>	<u>526,344</u>

The notes form part of these financial statements

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 AUGUST 2022

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 income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Improvements to property	-	in accordance with the property
Fixtures and fittings	-	33%, 25%, 20% and 12.5% on cost
Motor vehicles	-	25% on cost

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

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

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

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

STEP BY STEP SCHOOL LIMITED**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2022****1. ACCOUNTING POLICIES - continued****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.

Government grants

Government grants are recognised under the accrual model.

Government grants relating to revenue expenditure are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

Government grants include Coronavirus (COVID-19) National Testing Programme and Teachers' Pension Employer Contribution Grant

2. DONATIONS AND LEGACIES

	31.8.22	31.8.21
	£	£
Donations	22,927	134,264
Grants	<u>29,067</u>	<u>50,540</u>
	<u>51,994</u>	<u>184,804</u>

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

	31.8.22	31.8.21
	£	£
COVID grant	<u>29,067</u>	<u>50,540</u>

3. OTHER TRADING ACTIVITIES

	31.8.22	31.8.21
	£	£
School uniform sales	683	830
Other income	<u>5,176</u>	<u>5,060</u>
	<u>5,859</u>	<u>5,890</u>

4. INVESTMENT INCOME

	31.8.22	31.8.21
	£	£
Deposit account interest	<u>7,803</u>	<u>6,283</u>

STEP BY STEP SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2022**

5. INCOME FROM CHARITABLE ACTIVITIES

		31.8.22	31.8.21
	Activity	£	£
School fees	School running	<u>2,267,011</u>	<u>2,157,263</u>

6. RAISING FUNDS

Raising donations and legacies

		31.8.22	31.8.21
		£	£
Marketing		2,672	341
Fundraising fees		-	90
		<u>2,672</u>	<u>431</u>

Other trading activities

		31.8.22	31.8.21
		£	£
Opening stock		901	1,014
Purchases		204	511
Closing stock		<u>(454)</u>	<u>(901)</u>
		<u>651</u>	<u>624</u>

Aggregate amounts

<u>3,323</u>	<u>1,055</u>
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7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
School running	2,107,151	-	2,107,151
Support costs	<u>-</u>	<u>28,656</u>	<u>28,656</u>
	<u>2,107,151</u>	<u>28,656</u>	<u>2,135,807</u>

STEP BY STEP SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2022**

8. SUPPORT COSTS

		Governance costs £
Support costs		<u>28,656</u>
	31.8.22	31.8.21
Governance costs	£	£
Auditors' remuneration	6,600	6,600
Auditors' remuneration for non audit work	3,390	4,378
Legal and professional fees	16,256	16,744
Clerk to the Governors	1,877	1,212
Governor training	432	526
Governor meeting cost	101	121
	28,656	29,581

9. NET INCOME/(EXPENDITURE)

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

	31.8.22	31.8.21
	£	£
Auditors' remuneration	6,600	6,600
Other non-audit services	3,390	4,378
Depreciation - owned assets	146,258	98,530
Other operating leases	89,434	97,197
(Deficit)/surplus on disposal of fixed assets	<u>128</u>	<u>(449)</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

Trustees' expenses

Trustees' expenses totalling £121 was paid for the year ended 31 August 2021 and £126 for the year ended 31 August 2020.

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 AUGUST 2022

11. STAFF COSTS

	31.8.22	31.8.21
	£	£
Wages and salaries	1,431,039	1,384,530
Social security costs	106,860	105,119
Other pension costs	84,707	86,520
	<u>1,622,606</u>	<u>1,576,169</u>

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

	31.8.22	31.8.21
Teaching and SALT staff	64	66
Administration staff	4	4
Driver	1	1
	<u>69</u>	<u>71</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.8.22	31.8.21
£70,001 - £80,000	<u>1</u>	<u>1</u>

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	54,867	129,937	184,804
Charitable activities			
School running	2,157,263	-	2,157,263
Other trading activities	5,890	-	5,890
Investment income	<u>6,283</u>	<u>-</u>	<u>6,283</u>
Total	<u>2,224,303</u>	<u>129,937</u>	<u>2,354,240</u>
EXPENDITURE ON			
Raising funds	1,055	-	1,055
Charitable activities			
School running	1,973,557	21,600	1,995,157
Support costs	<u>29,581</u>	<u>-</u>	<u>29,581</u>
Total	<u>2,004,193</u>	<u>21,600</u>	<u>2,025,793</u>
NET INCOME	220,110	108,337	328,447
RECONCILIATION OF FUNDS			
Total funds brought forward	1,373,327	100,087	1,473,414

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2022

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted Funds £	Restricted Funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	<u>1,593,437</u>	<u>208,424</u>	<u>1,801,861</u>

13. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 September 2021	1,898,900	532,737	80,899	2,512,536
Additions	30,809	40,408	-	71,217
Disposals	<u>(6,768)</u>	<u>(4,554)</u>	<u>-</u>	<u>(11,322)</u>
At 31 August 2022	<u>1,922,941</u>	<u>568,591</u>	<u>80,899</u>	<u>2,572,431</u>
DEPRECIATION				
At 1 September 2021	434,947	412,889	75,169	923,005
Charge for year	92,867	48,102	5,289	146,258
Eliminated on disposal	<u>-</u>	<u>(4,427)</u>	<u>-</u>	<u>(4,427)</u>
At 31 August 2022	<u>527,814</u>	<u>456,564</u>	<u>80,458</u>	<u>1,064,836</u>
NET BOOK VALUE				
At 31 August 2022	<u>1,395,127</u>	<u>112,027</u>	<u>441</u>	<u>1,507,595</u>
At 31 August 2021	<u>1,463,953</u>	<u>119,848</u>	<u>5,730</u>	<u>1,589,531</u>

14. STOCKS

	31.8.22 £	31.8.21 £
Stocks	<u>454</u>	<u>901</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.22 £	31.8.21 £
Trade debtors	-	712
Other debtors	866	1,187
Prepayments and accrued income	<u>26,550</u>	<u>20,792</u>
	<u>27,416</u>	<u>22,691</u>

STEP BY STEP SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2022**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.22	31.8.21
	£	£
Bank loans and overdrafts (see note 18)	23,440	8,320
Trade creditors	3,996	4,638
Social security and other taxes	23,523	26,547
Other creditors	7,480	10,049
Accruals and deferred income	<u>31,412</u>	<u>63,398</u>
	<u>89,851</u>	<u>112,952</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.22	31.8.21
	£	£
Bank loans (see note 18)	<u>216,986</u>	<u>261,679</u>

18. LOANS

An analysis of the maturity of loans is given below:

	31.8.22	31.8.21
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>23,440</u>	<u>8,320</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>24,409</u>	<u>25,656</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>79,862</u>	<u>83,614</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	112,715	152,409

19. LEASING AGREEMENTS

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

	31.8.22	31.8.21
	£	£
Within one year	69,113	54,564
Between one and five years	248,937	215,493
In more than five years	<u>189,577</u>	<u>215,640</u>
	<u>507,627</u>	<u>485,697</u>

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 AUGUST 2022

20. SECURED DEBTS

The following secured debts are included within creditors:

	31.8.22	31.8.21
	£	£
Bank loans	<u>240,426</u>	<u>269,999</u>

The charity has a pensions guarantee of £18,000 and a NatWest cash security for credit cards of £7,500.

There is a charge over cash deposit with no security limited by Natwest Bank plc and a debenture over all the assets of the company also held by NatWest Bank plc.

21. MOVEMENT IN FUNDS

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	1,457,888	226,414	1,684,302
Site Development	<u>135,550</u>	<u>(13,118)</u>	<u>122,432</u>
	1,593,438	213,296	1,806,734
Restricted funds			
Other Equipment	23	(23)	-
Musical Instruments	25	(25)	-
Wooden Spoon outside classroom	833	(833)	-
DET Outdoor learning areas	39,241	(11,260)	27,981
Susan James Wing	162,074	(6,688)	155,386
Yurt and forest area	4,700	(1,200)	3,500
Forest seating area	940	(240)	700
Pupils resources	587	(119)	468
Forest School	<u>-</u>	<u>629</u>	<u>629</u>
	<u>208,423</u>	<u>(19,759)</u>	<u>188,664</u>
TOTAL FUNDS	<u>1,801,861</u>	<u>193,537</u>	<u>1,995,398</u>

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued **for the Year Ended 31 AUGUST 2022**

21. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,331,643	(2,105,229)	226,414
Site Development	-	(13,118)	(13,118)
	<u>2,331,643</u>	<u>(2,118,347)</u>	<u>213,296</u>
Restricted funds			
Other Equipment	-	(23)	(23)
Musical Instruments	-	(25)	(25)
Wooden Spoon outside classroom	-	(833)	(833)
DET Outdoor learning areas	1	(11,261)	(11,260)
Susan James Wing	-	(6,688)	(6,688)
Yurt and forest area	-	(1,200)	(1,200)
Forest seating area	-	(240)	(240)
Pupils resources	289	(408)	(119)
Forest School	734	(105)	629
	<u>1,024</u>	<u>(20,783)</u>	<u>(19,759)</u>
TOTAL FUNDS	<u>2,332,667</u>	<u>(2,139,130)</u>	<u>193,537</u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	1,224,659	233,229	1,457,888
Site Development	148,668	(13,118)	135,550
	<u>1,373,327</u>	<u>220,111</u>	<u>1,593,438</u>
Restricted funds			
Other Equipment	159	(136)	23
Musical Instruments	25	-	25
Climbing Wall	642	(642)	-
Outside Learning Area	1,956	(1,956)	-
Wooden Spoon outside classroom	5,833	(5,000)	833
Laptops	1,197	(1,197)	-
DET Outdoor learning areas	50,211	(10,970)	39,241
Susan James Wing	32,984	129,090	162,074
Yurt and forest area	5,900	(1,200)	4,700
Forest seating area	1,180	(240)	940
Pupils resources	-	587	587
	<u>100,087</u>	<u>108,336</u>	<u>208,423</u>
TOTAL FUNDS	<u>1,473,414</u>	<u>328,447</u>	<u>1,801,861</u>

STEP BY STEP SCHOOL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 AUGUST 2022**

21. 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	2,224,303	(1,991,074)	233,229
Site Development	-	(13,118)	(13,118)
	<u>2,224,303</u>	<u>(2,004,192)</u>	<u>220,111</u>
Restricted funds			
Other Equipment	-	(136)	(136)
Climbing Wall	-	(642)	(642)
Outside Learning Area	-	(1,956)	(1,956)
Wooden Spoon outside classroom	-	(5,000)	(5,000)
Laptops	-	(1,197)	(1,197)
DET Outdoor learning areas	-	(10,970)	(10,970)
Susan James Wing	129,350	(260)	129,090
Yurt and forest area	-	(1,200)	(1,200)
Forest seating area	-	(240)	(240)
Pupils resources	<u>587</u>	<u>-</u>	<u>587</u>
	<u>129,937</u>	<u>(21,601)</u>	<u>108,336</u>
TOTAL FUNDS	<u><u>2,354,240</u></u>	<u><u>(2,025,793)</u></u>	<u><u>328,447</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.20 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	1,224,659	459,643	1,684,302
Site Development	<u>148,668</u>	<u>(26,236)</u>	<u>122,432</u>
	<u>1,373,327</u>	<u>433,407</u>	<u>1,806,734</u>
Restricted funds			
Other Equipment	159	(159)	-
Musical Instruments	25	(25)	-
Climbing Wall	642	(642)	-
Outside Learning Area	1,956	(1,956)	-
Wooden Spoon outside classroom	5,833	(5,833)	-
Laptops	1,197	(1,197)	-
DET Outdoor learning areas	50,211	(22,230)	27,981
Susan James Wing	32,984	122,402	155,386
Yurt and forest area	5,900	(2,400)	3,500
Forest seating area	1,180	(480)	700
Pupils resources	-	468	468
Forest School	<u>-</u>	<u>629</u>	<u>629</u>
	<u>100,087</u>	<u>88,577</u>	<u>188,664</u>
TOTAL FUNDS	<u><u>1,473,414</u></u>	<u><u>521,984</u></u>	<u><u>1,995,398</u></u>

STEP BY STEP SCHOOL LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 AUGUST 2022

21. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,555,946	(4,096,303)	459,643
Site Development	-	(26,236)	(26,236)
	<u>4,555,946</u>	<u>(4,122,539)</u>	<u>433,407</u>
Restricted funds			
Other Equipment	-	(159)	(159)
Musical Instruments	-	(25)	(25)
Climbing Wall	-	(642)	(642)
Outside Learning Area	-	(1,956)	(1,956)
Wooden Spoon outside classroom	-	(5,833)	(5,833)
Laptops	-	(1,197)	(1,197)
DET Outdoor learning areas	1	(22,231)	(22,230)
Susan James Wing	129,350	(6,948)	122,402
Yurt and forest area	-	(2,400)	(2,400)
Forest seating area	-	(480)	(480)
Pupils resources	876	(408)	468
Forest School	734	(105)	629
	<u>130,961</u>	<u>(42,384)</u>	<u>88,577</u>
TOTAL FUNDS	<u>4,686,907</u>	<u>(4,164,923)</u>	<u>521,984</u>

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2022.