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**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**STEPPING STONES FOR FAMILIES**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**Trustees**

Christopher Graham, Chair  
Noreen Preston, Vice Chair  
Shaun Cole  
Lorraine Wylie  
Pamela Ogg  
Biba-Lee Devine

**Company registered number**

SC114228

**Charity registered number**

SC004894

**Registered office and Principal operating office**

Studio 3003A  
Mile End Mill  
12 Seedhill Road  
Paisley  
PA1 1JS

**Company Secretary**

Isobel Lawson

**Chief Executive Officer**

Isobel Lawson

**Senior management team**

Isobel Lawson  
Louise Bennett, HR Manager

**Independent auditor**

French Duncan LLP trading as AAB  
Chartered Accountants and Statutory Auditor  
133 Finnieston Street  
Glasgow  
G3 8HB

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Bankers**

Unity Trust Bank  
PO Box 7193  
Planetary Road  
Willenhall  
WV1 9DG

**Accountants**

Wylie & Bisset  
168 Bath Street  
Glasgow  
G2 4TP

**Solicitors**

T C Young Solicitors  
7 West George Street  
Glasgow  
G2 1BA

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**STEPPING STONES FOR FAMILIES**  
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**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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The chairman presents his statement for the year.

**Our vision** is that all children grow up loved, safe and respected so that they realise their full potential.

As chair of the Board of Directors, I have the pleasure of presenting my summary report highlighting the key achievements in 2022-23.

The impact of sustaining services for children, young people and families during COVID19 weighed heavily on the organization as we saw our unrestricted reserves being over utilized to sustain services during COVID and a subsequent restructuring phase. This alongside a disappointing outcome for anticipated public sector funding resulted in a disappointing outturn for the year. The resulting deficit leaves the unrestricted reserves at an unusually low level. The Board are exploring opportunities to replenish these reserves.

The failure to receive the public sector funding resulted in the closure of the main part of our excellent Glasgow Family Wellbeing service. This resulted in redundancies for 3 staff and re-deployment of 1 worker. The Primary schools' family wellbeing work is ongoing under a new management structure.

I will take this opportunity to record my thanks and appreciation to the staff who were impacted by the redundancies throughout the year and wish them well in their new ventures.

All the recorded achievements for the year are detailed in the Trustees Annual Report (page 5).

As chair I have selected a few headline achievements for inclusion in this report.

- 610 families and 1125 children accessed our family support and childcare services. This is an increase on the previous year, demonstrating the increased confidence shown by parents who are now returning to childcare services which is a positive outcome. We have seen an increase in the number of children and families seeking financial support and advice to mitigate poverty and the impact of the Cost of Living crisis. All of our services reported more families seeking financial advice and support than in previous years.
- Childcare services recorded a 98% attendance rate and 89% of children achieved their developmental milestones. This is a positive result of the work carried out to restructure our 0-3years and 3-5years childcare provision. The creation of the new Flexible Childcare in Glasgow is already demonstrating positive outcomes.
- The Promise Partnership, a collaborative project led by GCVS, has been very busy over the year developing a programme involving parents and young people in a co-design process. Parents participated in co-design workshops and created an impressive storyboard depicting the needs of families in communities and the gaps in services experienced by them. Stepping Stones for Families is a founding member of the Steering group. 25 Stepping Stones for Families parents responded to the survey with one parent from Power of Play going forward to participate in the 3 co-design sessions. The steering group includes Glasgow Health and Social Care partnership.
- During the year we welcomed a Minister, Cabinet Secretary, MSP and various officers from Scottish Government to Power of Play service in Townhead to meet with parents. The Chair and a member of the Poverty Commission came to the Paisley office to meet with staff from our rural money advice services based in South Ayrshire and our Glasgow Power of Play to discuss the Cost of Living crisis and the impact on families.

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**CHAIRMAN'S STATEMENT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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Other achievements include

- Increased diversity in our workforce
- No breeches of GDPR
- No complaints to Care Inspectorate
- No notifications to H&S Executive

I am pleased to end my report on a positive note. Having weathered the storm of the past 3 years the organization is looking forward to a period of growth in 2023-6 with new and expanded services being developed.

To find out more about our work please visit our website [www.ssff.org.uk](http://www.ssff.org.uk).

DocuSigned by:  
  
E3D102AAD41D4FE...  
**Christopher Graham**  
**Chairman**

Date: 16 November 2023

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**STEPPING STONES FOR FAMILIES**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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The Trustees present their Annual Report together with the audited financial statements of Stepping Stones for Families for the year ending 31 March 2023. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, also the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1 (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

### **OUR PURPOSES AND ACTIVITIES**

#### **The purpose of the charity is:**

To promote, maintain, improve, and advance the education and social development of children, the parents and families of such children and other appropriate persons; to encourage the study of the needs and problems of children and their parents and to stimulate and educate public interest in this and other related educational and social fields.

**Our vision** is that all children grow up loved, safe and respected so that they realise their full potential.

#### **Values**

The values to which we will adhere in fulfilling our vision are that we:

- Recognise and respect people for who they are
- Believe in and defend the rights of the child and equal opportunities for all
- Are caring and supportive
- Act in an open and transparent way
- Work flexibly and are community spirited

### **ACHIEVEMENTS AND PERFORMANCE**

#### **ACTIVITIES FOR ACHIEVING OBJECTIVES**

- 610 families and 1125 children accessed our family support and childcare services
- Childcare recorded a 98% attendance rate and 89% of children achieved their developmental milestones
- 123 parents were supported into training/employment
- Our rural money advice realised an annual equivalent of £741,357 for families
- Service user debt re-negotiated was £37,999 and 1 off payments £120,180
- Sustaining the Good and Very Good grades in Care Inspection reports
- Greater diversity of funding streams
- Increased partnership work with Scottish Government / public sector through pilot work to test new structures/approaches
- Restructuring of our Childcare services, in the interests of sustainability, to create Possilpark Flexible Childcare services. A one door approach to a range of quality childcare to support children on their journey from birth to secondary school
- Greater childcare choice for parents / carers who aspire to enter / sustain training or employment

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**STEPPING STONES FOR FAMILIES**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**ACHIEVEMENTS AND PERFORMANCE (continued)**

- Testing the need for Saturday and school holiday childcare for school age children
- Expansion of our family play and wellbeing approach to tackle loneliness and isolation
- Expanding our mental health training and support services for communities
- Working with public sector to expand our rural money advice and family support
- Working in collaboration with other third sector organisations to explore new opportunities for commissioning family support services in the context of the Promise and Whole Family Wellbeing Fund
- Increased diversity in our workforce
- No breaches of GDPR
- No complaints to Care Inspectorate
- No notifications to H&S Executive

**Going concern**

The majority of grants for the year ahead are in place and the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the year ahead. The Trustees are of the view that the charity is a going concern and the financial statements have been prepared on this basis. Further details are given in note 2.2 to the accounts.

**Reserves policy**

It is the policy of the Trustees to hold unrestricted reserves to meet any unplanned expenditure, cover short term funding gaps and to provide funds for future investment. Within the restricted funds, we hold funds amounting to £44,617 at the year end restricted for a specific purpose as agreed by the funding body. General unrestricted funds at 31 March 2023 were £86,667 and after accounting for designated reserves leaves free reserves of £83,867. The reserves of the charity have reduced this year due to planned expenditure to restructure the charity to make it sustainable for the future. The Trustees are aiming to increase its reserves over the next 2-3 years.

**Investment policy**

The charity maintains sufficient cash within its current account with Unity Trust Bank to meet the operational needs of the charity. The interest return is reviewed periodically.

**Financial Review**

The charity had a deficit of £180,454 for the year ended 31 March 2023. Included within this was a deficit of £79,516 of restricted funds representing the net movement of funds that have been provided for a specific purpose. There is a deficit within the unrestricted funds of £100,938. The deficit on unrestricted funds is a COVID-19 legacy due primarily to a loss of income from unfilled places in childcare and investing reserves to sustain essential services for families.

Income for the year decreased by £199,744 to £1,112,426.

Cash at bank and in hand at the 31st March 2023 was £262,241.

The charity invested £935 in fixed assets during the year.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing Document**

Stepping Stones for Families is a charitable company limited by guarantee, incorporated in October 1988. The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The Articles of Association were revised in 2010 and further amended to include the recruitment and appointment of Board members. The amendment was approved by members at the AGM held on Tuesday 17 November 2011. In the event of the company being wound up: members are required to contribute an amount not exceeding £1.00. The Articles of Association will be subject to further review in 2023 -24 to ensure they reflect the growth and development of the Company.

**Methods of appointment or election of Trustees**

Under the requirements of the Articles of Association the members of the Board are elected to serve a period of three years after which they must be re-elected at the next Annual General Meeting. No board member/trustee can serve more than 6 years without standing down for one year after which they can be elected for a maximum of a further 6 years. No member can serve for more than twelve years in total. Board members are recruited as co-opted members throughout the year and formally elected at the AGM of that year.

Service users hold the majority within the category of Individual Membership and elect the Board at the AGM. Service users are actively involved in the development and operation of the local services through the established Task Group system. Individual members can stand for election to the Board. The charity advertises Board vacancies through a variety of media including SCVO (Scottish Council for Voluntary Organisations); local infrastructure bodies; specialist Charity recruitment agencies; the SSFF web site; and social media.

The profile of the Board reflects the skills required to manage a complex operation. Regular skills assessments ensure that gaps are identified and filled as quickly as possible.

The Trustees who served during the year and to the date of this report were:

Christopher Graham (Chair)  
Noreen Preston (Vice Chair)  
Shaun Cole  
Lorraine Wylie  
Biba Lee Devine (appointed 28 April 2022)  
Pamela Ogg (appointed 16 June 2022)  
Louise Dunlop (resigned 18 November 2022)

**Organisational structure and decision-making policies**

The Trustees meet at least 4 times a year with overall responsibility for the strategic direction, policy and financial oversight of the charity. A Chief Executive is appointed by the Board/Trustees to manage the day-to-day operations of the charity. The Chief Executive has delegated authority for operational matters including finance and employment.

The Chief Executive Officer is also responsible for business development, ensuring the delivery of the services specified and that key performance indicators are met. Service managers are responsible for the day-to-day management of the locally based projects and services, supervision of staff and ensuring that the workers continue to develop their skills and working practices in line with good practice and where appropriate that relevant workers are registered with SSSC (Scottish Social Services Council).

The Chief Executive also undertakes the role of Company Secretary.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Policies adopted for the induction and training of Trustees**

New Trustees undergo a formal induction process, which covers information on the activities of the charity, their legal obligations under charity and company law, the respective role and responsibilities of board/trustees and the code of conduct for board/trustees.

Each trustee receives a copy of the Memorandum & Articles, latest Audited Accounts and information from OSCR (Office of the Scottish Charity Regulator).

**Pay policy for senior staff**

None of the Trustees receive remuneration. The pay for all staff including senior managers is reviewed annually and any increases in pay are considered within the overall funding position of the charity for the year ahead. Key management personnel are as noted on page 1 to the accounts.

**Related parties and co-operation with other organisations**

None of the Trustees benefit from their work with the charity. Trustees are required to register any interest with a related party and no related party transactions took place during the year.

The charity is guided by local and national policies that relate to, and inform, the work of the charity. Partnership working underpins our practice and to this end, the charity participates in local and national forums, voluntary sector and other intermediary bodies.

**Risk management**

The charity considers risk management to be fundamental to good management practice and corporate governance. Risk management is an integral part of everything we do and is a key element of the decision making and service delivery processes.

The charity maintains a corporate risk register and this identifies 11 high impact risks. A risk assessment considers the impact and likelihood of each risk without considering the controls in place to create a gross risk score. The risk likelihood score is then re-assessed taking into account the controls in place to identify a net score.

Examples of 2 of the high impact risks are as follows:

Risk: Safeguarding Issue (Gross Score 10 / Net Score 5)

Risk could be triggered by a number of events:

- Child protection incident
- Failure to appropriately deal with a child welfare issue
- Child disclosing an issue to staff
- Safeguarding concerns being raised and/or formally reported

The impact of a risk arising in this area is assessed as critical due to the nature of work.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

The main controls in place to mitigate this risk are:

- Safeguarding policies and procedures are in place throughout the organisation
- Access to facilities are restricted
- Staff are appropriately trained
- Disclosure Scotland checks are carried out and where appropriate these include the protecting vulnerable groups (PVG) scheme
- Sector guidance and best practice are monitored and procedures and working practices amended when required
- The charity maintains a whistleblowing procedure so that staff can raise any issues openly and safely
- The charitable purpose and core values are consistent with providing all of our children, young people and families that we work with a safe environment in which to develop

Risk: Fraud (Gross Score 8 / Net Score 4)

Risk could be triggered by a number of events:

- Inadequate management controls
- Theft
- Inappropriate use of resources
- Inappropriate use of grant funding

The impact of a risk arising in this area is assessed as major as any financial loss arising from a material fraud would need to be funded from general reserves.

The main controls in place to mitigate risks are:

- Financial regulations and procedures are maintained, reviewed and updated
- Cash transactions are kept to a minimum
- Fees paid by service users or on behalf of services users are made directly by bank transfer and no cash payments are taken
- Petty Cash is kept to an agreed minimum and cash balances held are checked and verified on a regular basis
- Authorisation limits are in place for all authorised signatories
- All payments require 2 non finance staff signatories
- Grant claims are prepared independently of delivery staff
- Whistleblowing and fraud policies are in place
- Inventory list maintained by services/projects and reviewed and updated annually
- Detailed reports are issued to budget holders monthly
- Management reports are prepared quarterly and reviewed by the board

The risk register is reviewed and updated on a regular basis by senior management. The last annual review of the register by the Trustees was carried out on 5th December 2022.

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**STEPPING STONES FOR FAMILIES  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

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**Plans for future periods**

**Where we want to be.**

Our vision and this strategy are first and foremost about challenging poverty and inequality as it impacts on Children and their Families.

Our investment of funds, people and commitment over the period 2023-26 will be the driver towards achieving a hopeful future for the children, young people and families.

**Our commitment.**

Realising our ambition will rely on Stepping Stones for Families continuing to be a sustainable organisation offering evidence based quality early intervention and prevention services to children, young people and families in communities affected by poverty and inequality in West and South West Scotland.

**Stepping Stones for Families will:-**

- Provide strong leadership that respects and values the trust placed in us by communities
- Be confident in our innovative practices
- Improve evidence of our positive impact on families and communities
- Amplify the voice of children, young people and families so their views are heard and respected in developing policy and practice
- Strive to be the employer of choice in our field and sustain our Platinum Investors in People standard
- Ensure we are financially, socially and environmentally sustainable

It is important in this report to recognise and applaud the work sustained and developed by our team of dedicated workers throughout the year to make sure families continue to have access to high quality services in their communities.

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**STEPPING STONES FOR FAMILIES**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the charity for the purposes 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

**Disclosure of information to auditor**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**Auditor**

The auditor, French Duncan LLP trading as AAB, has indicate their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:  
  
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**Christopher Graham**

Chair

Date: 16 November 2023

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**STEPPING STONES FOR FAMILIES**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEPPING STONES FOR FAMILIES**

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**Opinion**

We have audited the financial statements of Stepping Stones for Families (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 March 2023 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 Auditor's 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 United Kingdom, including the Financial Reporting Council'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.

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**STEPPING STONES FOR FAMILIES**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEPPING STONES FOR FAMILIES**  
**(CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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.

**Opinion 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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**STEPPING STONES FOR FAMILIES**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEPPING STONES FOR FAMILIES**  
**(CONTINUED)**

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**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, 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.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an Auditor's Report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our charity knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, data protection, anti-bribery, employment, and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.



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**STEPPING STONES FOR FAMILIES**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEPPING STONES FOR FAMILIES**  
**(CONTINUED)**

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We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

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**STEPPING STONES FOR FAMILIES**  
**(A Company Limited by Guarantee)**

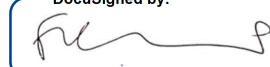
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STEPPING STONES FOR FAMILIES**  
**(CONTINUED)**

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**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, and to the charitable company's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters we are required to state to them in an Auditor's 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, its members, as a body, and its trustees, as a body for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  


**Antony J Sinclair (Senior Statutory Auditor)**

for and on behalf of  
**French Duncan LLP**

Chartered Accountants and Statutory Auditor

133 Finnieston Street

Glasgow

G3 8HB

Date: 16 November 2023

French Duncan LLP trading as AAB are eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
<b>Income from:</b>					
Donations and legacies		-	3,325	3,325	64,429
Charitable activities	4	498,954	608,130	1,107,084	1,245,977
Other trading activities	5	151	-	151	1,582
Investments	6	-	1,866	1,866	182
<b>Total income</b>		<b>499,105</b>	<b>613,321</b>	<b>1,112,426</b>	<b>1,312,170</b>
<b>Expenditure on:</b>					
Charitable activities	7	578,621	714,259	1,292,880	1,448,309
<b>Total expenditure</b>		<b>578,621</b>	<b>714,259</b>	<b>1,292,880</b>	<b>1,448,309</b>
<b>Net movement in funds</b>		<b>(79,516)</b>	<b>(100,938)</b>	<b>(180,454)</b>	<b>(136,139)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		124,133	187,605	311,738	447,877
Net movement in funds		(79,516)	(100,938)	(180,454)	(136,139)
<b>Total funds carried forward</b>		<b>44,617</b>	<b>86,667</b>	<b>131,284</b>	<b>311,738</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 41 form part of these financial statements.

**STEPPING STONES FOR FAMILIES**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: SC114228**

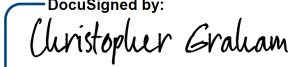
**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	12	2,800	4,682
<b>Current assets</b>			
Debtors	13	42,789	26,282
Cash at bank and in hand	20	262,241	412,703
		305,030	438,985
Creditors: amounts falling due within one year	14	(176,546)	(131,929)
<b>Net current assets</b>		<b>128,484</b>	<b>307,056</b>
<b>Total net assets</b>		<b>131,284</b>	<b>311,738</b>
<b>Charity funds</b>			
Restricted funds	16	44,617	124,133
Unrestricted funds	16	86,667	187,605
<b>Total funds</b>		<b>131,284</b>	<b>311,738</b>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:  
  
E3D102AAD41D4FE  
**Christopher Graham**  
 Chair

Date: 16 November 2023

The notes on pages 20 to 41 form part of these financial statements.

**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	19	(151,393)	(31,504)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(935)	(2,999)
Interest receivable		1,866	182
<b>Net cash provided by/(used in) investing activities</b>		<b>931</b>	<b>(2,817)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(150,462)</b>	<b>(34,321)</b>
Cash and cash equivalents at the beginning of the year		412,703	447,024
<b>Cash and cash equivalents at the end of the year</b>	20	<b>262,241</b>	<b>412,703</b>

The notes on pages 20 to 41 form part of these financial statements.

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**STEPPING STONES FOR FAMILIES**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**1. General information**

The charity is a company limited by guarantee, incorporated in Scotland (Company no: SC114228) and is a registered Scottish charity (Charity No: SC004894). The address of its registered office is Studio 3003 A, Mile End Mill, 12 Seedhill Road, Paisley, PA1 1JS.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements 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) and the Companies Act 2006.

Stepping Stones for Families meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

During the year the charity had a deficit of £180,454. This was a result of planned expenditure to restructure the organisation to make it sustainable for the future. The charity's unrestricted reserves are £86,667. The charity has prepared forecasts for 12 months from the date of signing of these financial statements and at this time most of its income is secured for this period and the trustees are confident that the remainder will be secured shortly. The charity plans to increase its unrestricted reserves over the next 2-3 years. The Trustees consider the charity is a going concern and the accounts have been prepared on that basis.

**2.3 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

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**STEPPING STONES FOR FAMILIES**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**2. Accounting policies (continued)**

**2.4 Expenditure (continued)**

All expenditure is inclusive of irrecoverable VAT.

**2.5 Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include management and business development, finance, IT and human resources. These costs have been allocated across the charitable activities in proportion to the staff cost of each activity. Where funding is received to contribute to the support cost of the charity then the funding is allocated in the same proportion.

An analysis of support costs is included in note 7.

**2.6 Governance costs**

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

**2.7 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Income from other grants is recognised when control over the expected economic benefits that flow from the grant have passed to the charity and any performance-related condition attached to the grant have been fully met. Grants of a revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure.

**2.8 Tangible fixed assets and depreciation**

Tangible fixed assets costing £500 or more which are not funded through specific grants are capitalised at cost and are depreciated over their estimated useful lives.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating the Income and Expenditure Account.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Computer equipment	- 33.3% Straight Line
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**STEPPING STONES FOR FAMILIES**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**2. Accounting policies (continued)**

**2.9 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.10 Liabilities**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.11 Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**2.12 Pensions**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

**2.13 VAT**

The charity is not registered for VAT and accordingly expenditure includes VAT where appropriate.

**2.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**3. Critical accounting estimates and areas of judgement**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires the trustees to exercise judgement in applying Stepping Stones For Families' accounting policies. The trustees have reviewed these and concluded there are no areas requiring a higher degree of judgement, or complexity, and no areas where assumptions or estimates are most significant to the financial statements.



**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**4. Income from charitable activities**

Summary by activity:

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Family and communities	355,743	146,424	<b>502,167</b>
Childcare	55,036	469,759	<b>524,795</b>
Support	88,175	(8,053)	<b>80,122</b>
<b>Total 2023</b>	<u>498,954</u>	<u>608,130</u>	<u><b>1,107,084</b></u>
	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Family and communities	507,828	83,579	591,407
Childcare	69,247	493,450	562,697
Support	91,873	-	91,873
<i>Total 2022</i>	<u>668,948</u>	<u>577,029</u>	<u>1,245,977</u>

**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**4. Income from charitable activities (continued)**

Summary by income type:

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Grants	440,697	37,250	<b>477,947</b>
Contracts	58,257	1,725	<b>59,982</b>
Fees	-	569,155	<b>569,155</b>
	<u>498,954</u>	<u>608,130</u>	<u><b>1,107,084</b></u>
	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Grants	668,948	28,305	697,253
Contracts	-	49,702	49,702
Fees	-	499,022	499,022
	<u>668,948</u>	<u>577,029</u>	<u>1,245,977</u>

**STEPPING STONES FOR FAMILIES**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**4. Income from charitable activities (continued)**

Included within income relating to grants receivable are the following grants:

	2023 £	2022 £
Early Years Funding Partnership	10,011	-
Glasgow Early Learning and Childcare Partnership Fund	-	31,955
Glasgow City Council - Glasgow Communities Fund	175,336	186,453
Glasgow Health and Social Care Partnership	-	44,589
Glasgow Community Mental Health and Wellbeing Fund	10,000	-
Glasgow City Council - Area Grant	6,504	3,748
Scottish Children's Lottery Trust	4,000	-
Children, Young People & Families Early Intervention Fund	87,150	83,000
William Grant Foundation Youth Opportunities Fund	45,500	80,000
Glasgow Promise Partnership Grant	1,000	-
UK Government Job Retention Grant	-	32,644
Institute for Voluntary Action	25	-
Kilgallioch	-	19,000
Cash for Kids	26,666	54,837
The Trades House of Glasgow - Drapers Fund	2,236	-
Mugdock Trust	1,000	1,000
Carrick Futures	18,750	12,500
National Lottery Community Fund	43,147	59,098
Aberlour	2,846	-
STV appeal	750	10,000
Children in Scotland	30,196	508
Possilpark People's Trust	595	200
Scottish Government Transitional Support Fund	-	13,310
Neighbourly	2,000	-
Families in Partnership Funding	300	-
Allied Vehicles	1,000	-
GCVS	-	10,000
Urban Fox Programme	-	750
Glasgow City Council	5,785	3,091
South Ayrshire Council	2,150	13,200
Arnold Clark	1,000	2,000
The Wood Foundation	-	3,000
Culture & Sport	-	1,000
GCC Summer Fund	-	31,370
<b>Total</b>	<b>477,947</b>	<b>697,253</b>

**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**5. Activities for generating funds**

**Income from fundraising events**

	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Fundraising	151	<b>151</b>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Fundraising	1,582	<b>1,582</b>

**6. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Investment income	1,866	<b>1,866</b>	<i>182</i>
<i>Total 2022</i>	<i>182</i>	<i>182</i>	

**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2023 £</b>	<b>Unrestricted funds 2023 £</b>	<b>Total 2023 £</b>
Families and communities	437,787	211,829	<b>649,616</b>
Childcare	52,659	414,587	<b>467,246</b>
Support	88,175	87,843	<b>176,018</b>
	<u>578,621</u>	<u>714,259</u>	<u><b>1,292,880</b></u>
	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total 2022 £</i>
Families and communities	518,146	118,205	636,351
Childcare	103,730	490,223	593,953
Support	91,873	126,132	218,005
	<u>713,749</u>	<u>734,560</u>	<u>1,448,309</u>

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>
Family & support services	646,236	3,380	<b>649,616</b>
Childcare	467,246	-	<b>467,246</b>
Support cost funding	-	176,018	<b>176,018</b>
	<u>1,113,482</u>	<u>179,398</u>	<u><b>1,292,880</b></u>

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**STEPPING STONES FOR FAMILIES**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**8. Analysis of expenditure by activities (continued)**

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Family & support services	636,351	-	636,351
Childcare	593,953	-	593,953
Support cost funding	-	218,005	218,005
	<u>1,230,304</u>	<u>218,005</u>	<u>1,448,309</u>

**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Family &amp; support services 2023 £</b>	<b>Childcare 2023 £</b>	<b>Total funds 2023 £</b>
Staff costs	517,399	352,207	<b>869,606</b>
Depreciation	1,440	-	<b>1,440</b>
Premises	27,368	45,625	<b>72,993</b>
Equipment	1,877	164	<b>2,041</b>
IT	3,119	780	<b>3,899</b>
Staff travel	2,064	23	<b>2,087</b>
Staff training	1,476	895	<b>2,371</b>
Printing & Stationery	2,546	2,724	<b>5,270</b>
Programme costs	61,878	44,990	<b>106,868</b>
Legal & professional fees	1,198	1,009	<b>2,207</b>
Subscriptions	187	7	<b>194</b>
Bank charges	211	85	<b>296</b>
Health & hygiene	4,576	7,405	<b>11,981</b>
Bad debts	-	499	<b>499</b>
Insurance	3,111	3,753	<b>6,864</b>
Marketing & promotional	-	247	<b>247</b>
Compliance	639	926	<b>1,565</b>
Telephone & postage	7,404	3,397	<b>10,801</b>
Volunteer costs	679	2,510	<b>3,189</b>
Governance costs	9,064	-	<b>9,064</b>
	<u>646,236</u>	<u>467,246</u>	<u><b>1,113,482</b></u>

**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs (continued)**

	<i>Family &amp; support services 2022 £</i>	<i>Childcare 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	457,044	450,790	907,834
Depreciation	1,059	680	1,739
Premises	32,699	46,283	78,982
Equipment	1,223	3,174	4,397
IT	4,345	1,227	5,572
Staff travel	1,330	160	1,490
Staff training	252	862	1,114
Printing & Stationery	1,944	3,632	5,576
Programme costs	112,958	49,345	162,303
Legal & professional fees	1,138	2,205	3,343
Subscriptions	191	205	396
Bank charges	320	179	499
Health & hygiene	2,901	13,456	16,357
Bad debts	-	(410)	(410)
Insurance	5,359	7,455	12,814
Marketing & promotional	-	59	59
Compliance	210	928	1,138
Health & safety	28	46	74
Telephone & postage	8,664	7,498	16,162
Recruitment	24	36	60
Governance costs	4,662	6,143	10,805
	<u>636,351</u>	<u>593,953</u>	<u>1,230,304</u>



**STEPPING STONES FOR FAMILIES**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Staff costs	<b>137,777</b>	149,285
Depreciation	<b>1,377</b>	1,652
Premises	<b>17,841</b>	2,540
Equipment	<b>305</b>	560
IT	<b>4,587</b>	4,623
Staff travel	<b>(2,981)</b>	1,023
Staff training	<b>1,054</b>	133
Printing & stationery	<b>375</b>	415
Travel costs	-	138
Legal & professional fees	<b>2,374</b>	5,816
Subscriptions	<b>2,168</b>	1,435
Bank charges	<b>985</b>	1,096
Health & hygiene	<b>4,017</b>	182
Bad debt	<b>(697)</b>	1,768
Insurance	<b>788</b>	1,292
Marketing & promotional	-	12,600
Compliance	<b>48</b>	68
Health & safety	<b>35</b>	-
Telephone & postage	<b>5,965</b>	1,759
Redundancy costs	-	28,995
Governance costs	<b>3,380</b>	2,625
	<b>179,398</b>	<i>218,005</i>

**9. Auditor's remuneration**

The auditor's remuneration amounts to an auditor fee of £9,240 (2022 - £8,400).

**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**10. Staff costs**

	2023 £	2022 £
Wages and salaries	924,025	959,261
Social security costs	50,674	59,518
Other pension costs	32,684	38,340
	<u>1,007,383</u>	<u>1,057,119</u>

The average number of persons employed by the charity during the year was as follows:

	2023 No.	2022 No.
Administration	5	5
Family and communities	25	25
Childcare	21	27
	<u>51</u>	<u>57</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel comprise the Trustees, Chief Executive Officer and the Senior Management Team.

Remuneration and pension contributions received by key management personnel during the year were £66,747 (2022: £84,292) and £1,284 (2022: £1,959) respectively.

**11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

**STEPPING STONES FOR FAMILIES**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**12. Tangible fixed assets**

	<b>Computer equipment £</b>
<b>Cost or valuation</b>	
At 1 April 2022	29,693
Additions	935
At 31 March 2023	30,628
<b>Depreciation</b>	
At 1 April 2022	25,011
Charge for the year	2,817
At 31 March 2023	27,828
<b>Net book value</b>	
At 31 March 2023	2,800
<i>At 31 March 2022</i>	4,682

**13. Debtors**

	<b>2023 £</b>	<b>2022 £</b>
<b>Due within one year</b>		
Trade debtors	24,790	11,186
Prepayments and accrued income	17,999	15,096
	42,789	26,282

**STEPPING STONES FOR FAMILIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**14. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Trade creditors	18,151	18,063
Other taxation and social security	12,462	14,667
Other creditors	6,139	9,070
Accruals and deferred income	139,794	90,129
	<u>176,546</u>	<u>131,929</u>
	2023 £	2022 £
Deferred income at 1 April 2022	37,088	27,380
Resources deferred during the year	111,042	37,088
Amounts released from previous periods	(37,088)	(27,380)
	<u>111,042</u>	<u>37,088</u>

Deferred income includes contract income received in advance by the charitable company.

**15. Financial instruments**

	2023 £	2022 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>289,547</u>	<u>432,139</u>
	2023 £	2022 £
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>53,042</u>	<u>75,237</u>

Financial assets measured at amortised cost comprise cash at bank, trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**16. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Property Maintenance	5,138	-	-	(5,138)	-
Capital Fund	-	-	-	2,800	2,800
	<u>5,138</u>	<u>-</u>	<u>-</u>	<u>(2,338)</u>	<u>2,800</u>
<b>General funds</b>					
General Funds	182,467	613,321	(714,259)	2,338	83,867
	<u>182,467</u>	<u>613,321</u>	<u>(714,259)</u>	<u>2,338</u>	<u>83,867</u>
<b>Total Unrestricted funds</b>	<u>187,605</u>	<u>613,321</u>	<u>(714,259)</u>	<u>-</u>	<u>86,667</u>
<b>Restricted funds</b>					
Families and Communities	102,511	360,925	(437,573)	-	25,863
Childcare	21,622	50,005	(52,873)	-	18,754
Support	-	88,175	(88,175)	-	-
	<u>124,133</u>	<u>499,105</u>	<u>(578,621)</u>	<u>-</u>	<u>44,617</u>
<b>Total of funds</b>	<u>311,738</u>	<u>1,112,426</u>	<u>(1,292,880)</u>	<u>-</u>	<u>131,284</u>

**STEPPING STONES FOR FAMILIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
<b>Unrestricted funds</b>				
<b>Designated funds</b>				
Property Maintenance	5,716	-	(578)	5,138
<b>General funds</b>				
General Funds	299,728	616,721	(733,982)	182,467
<b>Total Unrestricted funds</b>	<b>305,444</b>	<b>616,721</b>	<b>(734,560)</b>	<b>187,605</b>
<b>Restricted funds</b>				
Families and Communities	103,329	517,330	(518,148)	102,511
Childcare	39,104	86,246	(103,728)	21,622
Support	-	91,873	(91,873)	-
	142,433	695,449	(713,749)	124,133
<b>Total of funds</b>	<b>447,877</b>	<b>1,312,170</b>	<b>(1,448,309)</b>	<b>311,738</b>

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**STEPPING STONES FOR FAMILIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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**16. Statement of funds (continued)**

Name of unrestricted fund and nature and purpose of fund:

General fund - The free reserves after allowing for designated funds.

Designated Property Maintenance fund - Fund set aside for essential property maintenance.

Designated Capital Fund - Fund set aside for essential fixed asset purchases.

Restricted funds are analysed by activity and include the following funds:

**Scottish Government:**

- Children, Young People and Families Early Intervention Fund:  
This funding is infrastructure funding allocated to head office to support the work of the organisation.
- Access to Childcare Fund/Early Adapting Communities 24-25:  
This fund is currently to test new approaches to the provision of school age childcare through discounted places including at weekends. The fund will be devolved to Glasgow City Council for April 2024 and be renamed Early Adapting Communities. This will fund new approaches to 0-12 years childcare services.

**Glasgow Eligible 2s funding:**

- This is to provide 'funded places' for children who meet the criteria for funded places. We provide the places and claim the funding back from Glasgow Early Learning and Childcare.

Parents fees: Self-funded places

Parents who use funded places are limited to 1,140 hours a year. They can purchase 'wrap around' childcare through payment of fees.

Parents can also access childcare through payment by college/university.

**Glasgow City Council income for food:**

As part of the 1,140 hours funded places and Eligible 2s places we receive refunds for lunches etc.

**Glasgow Community Fund phase 2:**

This funding is for Family Wellbeing and Childcare delivered across North West and North East Glasgow. The funds are allocated across various services e.g. Power of Play, Glasgow Creche, Possilpark Child and Family Centre, head office and is allocated as a contribution to salaries and rent.

**Glasgow Lead Practitioner Attainment:**

This is Glasgow City Council Funding to employ an additional worker in Thistle Childcare to raise attainment. Salary costs only.

**Glasgow Guarantee:**

Subsidy for 1 childcare apprentice. Contributes 50% salary costs.

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**STEPPING STONES FOR FAMILIES  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**16. Statement of funds (continued)**

**Pupil Equity Funding:**

Devolved to 2 primary schools by Glasgow City Council education services.

Salary/running costs for 1 full time and 1 part time family wellbeing workers.

**William Grant Youth Opportunities and Social Causes Fund:**

YOF - Allocated to Carrick Money Advice Service as contribution to salaries and running costs. January-December each year. SCF allocated to Power of Play.

**Carrick Futures:**

Windfarm funding administered by Foundation Scotland as contribution to salary and running costs of Carrick Money Advice service.

**South Ayrshire Council:**

Health and Social Care Contracted funding as contribution to Carrick Money Advice service to fund 1 x full time family wellbeing worker and 1 x 0.5 one advice/group worker & running costs.

**National Lottery Community Fund:**

Contribution to Power of Play for salary/running costs of the development worker post.

**Robertson Trust:**

Application for follow-on contribution to Carrick Money Advice for Family Support worker/running costs.

**Whole Family Wellbeing funding:**

Scottish Government invitation to apply. Partnership bid with One Parent Families Scotland for funding to test out new approaches to the delivery of 0-12 childcare and family support.

**Small grants/donations etc:**

- Glasgow City Council – Area Grants for trips/outings/community fun days across North West and North East Glasgow.
- Mugdock Trust – Power of Play for parent/child activities.
- Various small donations for outings/trips/events.

**GCVS - Mental Health Funding:** Power of Play for specific work on improving mental health of families affected by trauma.

**UK Advice/One Parent Families Scotland-partnership award:** Contribution to Financial Advice & Family Support.



**STEPPING STONES FOR FAMILIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**17. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Designated funds	5,138	-	-	(2,338)	2,800
General funds	182,467	613,321	(714,259)	2,338	83,867
Restricted funds	124,133	499,105	(578,621)	-	44,617
	<u>311,738</u>	<u>1,112,426</u>	<u>(1,292,880)</u>	<u>-</u>	<u>131,284</u>

**Summary of funds - prior year**

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2022 £</i>
Designated funds	5,716	-	(578)	5,138
General funds	299,728	616,721	(733,982)	182,467
Restricted funds	142,433	695,449	(713,749)	124,133
	<u>447,877</u>	<u>1,312,170</u>	<u>(1,448,309)</u>	<u>311,738</u>

**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	2,800	2,800
Current assets	44,617	260,413	305,030
Creditors due within one year	-	(176,546)	(176,546)
<b>Total</b>	<u>44,617</u>	<u>86,667</u>	<u>131,284</u>

**STEPPING STONES FOR FAMILIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**18. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Restricted funds 2022 £</i>	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	4,682	4,682
Current assets	124,133	314,852	438,985
Creditors due within one year	-	(131,929)	(131,929)
<b>Total</b>	<u>124,133</u>	<u>187,605</u>	<u>311,738</u>

**19. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2023 £</b>	<b>2022 £</b>
Net expenditure for the year (as per Statement of Financial Activities)	<u><b>(180,454)</b></u>	<u>(136,139)</u>
<b>Adjustments for:</b>		
Depreciation charges	<b>2,817</b>	3,391
Dividends, interests and rents from investments	<b>(1,866)</b>	(182)
(Increase)/decrease in debtors	<b>(16,507)</b>	71,456
Increase in creditors	<b>44,617</b>	29,970
<b>Net cash used in operating activities</b>	<u><b>(151,393)</b></u>	<u>(31,504)</u>

**20. Analysis of cash and cash equivalents**

	<b>2023 £</b>	<b>2022 £</b>
Cash in hand	<b>328</b>	663
Notice deposits (less than 3 months)	<b>261,913</b>	412,040
<b>Total cash and cash equivalents</b>	<u><b>262,241</b></u>	<u>412,703</u>

**STEPPING STONES FOR FAMILIES**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**21. Analysis of changes in net debt**

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	412,703	(150,462)	262,241

**22. Pension commitments**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £36,793 (2022: £38,340). Contributions totalling £3,704 were payable to the fund at the balance sheet date (2022: £4,307).

**23. Operating lease commitments**

At 31 March 2023 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	21,615	10,123
Later than 1 year and not later than 5 years	2,286	-
	<u>23,901</u>	<u>10,123</u>

**24. Related party transactions**

The charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the charity at 31 March 2023.