

South Tyrone Empowerment Programme Charitable Company Limited by Guarantee

DIRECTORS' REPORT

For the year ended 31 March 2023

The Directors, who are the trustees for the purpose of charity law, have pleasure in presenting their report and the consolidated financial statements of the charitable company and its subsidiary for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102), United Kingdom Generally Accepted Accounting Practice, Charities Act (Northern Ireland) 2008 and the Companies Act 2006.

Reference and Administration Details

The reference and administration details of the charitable company are as shown on page 2.

Bernadette McAliskey in her role as charity coordinator was responsible for the supervision of the day to day operations of the group throughout the year. She retired post year end and her responsibilities have transferred to Fintan McAliskey.

Objectives and Activities

The objective of the charitable group and its subsidiary is to contribute to building a peaceful, just, equitable and shared society which protects rights, shares responsibility, respects difference and embraces diversity, through:

- Advancement of citizenship and community development; and
- The advancement of human rights; conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity.

South Tyrone Empowerment Programme (STEP) exists to assist the most socially and economically marginalised, excluded and vulnerable persons and groups in the community to be aware of their rights; develop their confidence and competence, social and organisational skills, and access the resources necessary to afford them more equitable participation in the formulation, development decision-making and actions which would enable them to improve the quality of their daily lives.

In order to meet its objectives, the Charity provides many services to the local community. Such services include:

•**Information, Advice and Guidance** - this department provides quality assured information, advice and guidance with the key aim being the advancement of citizenship, community development, and human rights.

•**Community Development** – this programme provides individual and collective capacity building, ideas generation, group development, project development, partnership building, resource sharing, conflict resolution, marketing, management and administrative support.

•**Learning, Training and Development** – this programme provides members of the community with access to training and learning opportunities to enhance their own empowerment and active citizenship.

These departments currently support the delivery of three main programmes: Migrant Worker/Immigrant Support Programme; Family Support Programme; Homeless Support Programme.

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DIRECTORS' REPORT for the year ended 31 March 2023 (Continued)

The organisation also developed a social enterprise named STL (STEP Training and Learning Ltd), to help sustain its charitable activities. STL trades as a separate company in which STEP, is the sole shareholder. STL activity includes the provision of interpreting and translation services; consultancy services; adult education and training opportunities, and business management services, which includes management of workspace for micro-enterprise.

STEP strategic business plan sets out the specific aims and objectives of the organisation over the year. The organisation places a high value on active meaningful participation of its staff, volunteers, service users and external shareholders in its processes, and works consistently within the organisation to develop a shared understanding of the purpose and value base of the organisation. The strategic plan will inform the activities over the next five years and is reviewed throughout the period of implementation.

Public Benefit Statement

The Directors of South Tyrone Empowerment Programme confirm that they have complied with their duty under section 4(6) of the Charities Act (Northern Ireland) 2008 to have regard to the Charity Commission for Northern Ireland's guidance on public benefit and that the public benefit requirement has informed the activities of the charitable company in the year ended 31 March 2023.

The results for the year are set out in detail on pages 12 to 31. The group had net incoming resources for the year of £6,936 (2022 – £101,744).

At 31 March 2023, the total funds of the group amounted to £6,432,088 (2022: £6,425,152) comprising restricted funds of £3,626,692 (2022: £3,714,576), unrestricted funds of £2,205,396 (2022: £2,110,576) and a designated fund of £600,000 (2022: £600,000). Principal sources of funding and how this has supported the key objectives of the charity are disclosed in the notes to the financial statements.

Risk Management

The Board of Directors have reviewed the key risks facing the charity and have established procedures to manage those risks. Significant external risks to funding have led to the development of a strategic plan which allows for the diversification of funding and activities.

Reserves Policy

To avoid closure if funding difficulties were to occur, the board has agreed to keep a certain level of financial reserves to ensure that main operations can continue until funds are secured. Such funds have been allocated to the designated reserve of the charity, with an amount of £600,000 held at the year-end (2022: £600,000).

Post Balance Sheet event

Post year end, the charity began an exercise to merge the Activities of Dungannon West Renewal Trust. South Tyrone Empowerment Programme would take control of DWRT subsidiary company, Dungannon West Renewal Limited. At the date of signing these financial statements, this exercise is almost complete.

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Plans for future periods

The management committee have identified the following opportunities which they will aim to achieve within the 5 years subject to adequate funding arrangements:

- a) To develop a multi-cultural childcare facility to address the continuing childcare deficit;
- b) To develop a sustainable community Human Rights and Law Centre within Mid-Ulster;
- c) To implement the Community Sponsorship Programme for Refugees and Asylum Seekers; and
- d) Improve STEP physical space in Cookstown and Magherafelt.

We will continue to build our unrestricted reserves towards investing in the realisation of these objectives.

Structure, Governance and Management

Organisational Structure

South Tyrone Empowerment Programme, by virtue of common directors and power to govern operations, controls the activities of STEP Training and Learning Limited which has the objective of raising funds for the South Tyrone Empowerment Programme.

South Tyrone Empowerment Programme is a company limited by guarantee, not having a share capital.

South Tyrone Empowerment Programme 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.

In accordance with the Articles of Association, the members to retire by rotation shall be those who have been longest in office since their last election, and the relevant motion will be put at the Annual General Meeting. A retiring member shall be eligible for re-election.

Any person wishing to become a director must apply in writing prior to the Annual General Meeting. A vote is then taken at the Annual General Meeting as to whether that person is appointed.

Directors

The Directors during the year are the same as the Directors as listed on page 2.

Taxation Status

South Tyrone Empowerment Programme is recognised as a charity by HM Revenue & Customs. Accordingly, the charitable company has availed of the exemptions contained in Chapter 3 Part 11 Corporation Taxes Act 2010 and Section 256 Taxation of Chargeable Gains Act 1992.

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Directors' Responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS 102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Statement of Disclosure of Information to Auditor

In so far as the Directors, who held office at the date of approval of these financial statements, are aware:

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

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Small Company Exemption

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

This report was approved by the Board of Directors on 12 December 2023 and signed on its behalf by:

Registered office:

The Junction
12 Beechvalley Way
Dungannon
Co. Tyrone
BT70 1BS

John McNeill
Director

Company Registration Number: NI035735

Charity Registration Number: 100381