

**Report of the Trustees  
for the Year Ended 31 March 2025**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of 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).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The objects of the charity are:

" To enhance education, in particular for young people, by providing training facilities for the acquisition and development of occupational skills and work experience for periods in each case not normally exceeding two years."

The main objectives for the year continue to be focused on the provision of community based training.

**Public benefit**

The trustees are confident that the charitable aims of Southern Group Enterprises Limited satisfy the principles of public benefit as defined in the Charities Act. They have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning its future activities.

The public purpose of Southern Group Enterprises Limited is to provide an educational programme, based on occupational and essential skills, to those pupils at school who wish to opt out of the formal academic route. The target group are those pupils who at the age of fourteen to sixteen are seeking an alternative educational system that challenges them to develop and demonstrate their individual capabilities and creative skills. The provision of the vocational/occupational programmes provided by Southern Group Enterprises Limited is an extension to the secondary level of the mainstream educational system. The benefit of this is two fold in that it enhances and supports the career departments within the local schools by providing the opportunity for work related training for pupils during school time and secondly the beneficiaries, the pupils, gain through maximising their potential through obtaining a vocational career and the feeling of self esteem and respect from this achievement, attaining relevant academic and vocational qualifications but also developing life skills both at a personal and social level. The age at which pupils enter the vocational/occupational programmes is one that Southern Group Enterprises Limited see as a defining time of a young person's life during which time their personality/expectations are determined and defined for later life. The public purpose therefore is the starting point under which education can provide a stable environment and base for each young person going forward. As for the community the benefit derived is that upon entering society at large the pupils have become young adults displaying responsibility and self belief within themselves that originates through the acquisition of skills attained within the educational programme.

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## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

The charity, in conjunction with schools within the Newry and Mourne education catchment area, provided vocational training during the academic year to those pupils seeking an alternative option to the traditional education route of learning.

The educational programmes, provided by the charity within a supported environment, gives students the opportunity to:

- develop life long skills for independence
- enable progression to other educational courses, training and employment
- help to raise levels of achievement; and
- develop transferable skills needed in an ever evolving work environment.

The academic year saw an increase of over 18% in the number of students attending the charity's educational programmes. The engagement of the charity with local schools led to over 90 attendees participating in vocational qualifications this academic year offered by educational providers such as the City & Guilds. The success of the charity can be seen, not only in the tangible evidence of academic qualifications but also, in the transformation of the young students belief in their own ability to set and achieve personal goals. The charity affords young students, on the basis of their academic success, the opportunity to seek and develop careers in their chosen vocation and provide employers with a workforce capable of meeting the demands of today's economy. The achievements of the charity's students reflects the delivery of the aims of the charity in each and every subsequent academic year.

## **FINANCIAL REVIEW**

### **Financial position**

The end of the year saw a result in which there was a demand upon the charity's financial resources and the results for the year are set out in detail on pages 6 to 15. The company returned a profit for the year of £10,111.

### **Principal funding sources**

The main source of funding is derived from the provision of training under the STEPS and VEP programmes. The charity provides these services directly to the local schools, ultimately the funding is provided by the Southern Education & Library Board.

### **Investment policy and objectives**

Under the Memorandum and Article of Association, the charity has the power to invest in any way the trustees wish. However in formulating an investment policy, the charity has recognised that whilst it may have surplus funds to invest, these are likely to be called upon in the short term. The policy is to maintain high levels of capital security by minimising interest rate risk, maximising returns and liquidity and maintaining low transaction costs.

### **Reserves policy**

The Management Committee have examined the charity's requirements for reserves in light of the main risks to the organisation. A policy has been established whereby unrestricted funds not committed or invested in tangible assets held by the charity should be between 6 and 9 months of the annual budgeted expenditure. Budgeted expenditure for 2024/25 is approximately £285,000 and therefore the target is between £142,500 and £213,750 of general unrestricted funds. The reserves are required to meet the working capital requirements of the charity. The charity recognised the continued need of a fund to both refurbish and make improvements to their land and buildings. As such a designated fund of £550,000 was set aside for the redevelopment and improvement of the charity's property. To date an amount of £291,870 of this fund has been used leaving designated funds for the redevelopment and improvement of the charity's land and buildings of £258,130. However given the destructive impact of Storm Éowyn in January 2025 the trustees have sufficient funds to meet unexpected costs that may arise in the repairs to the property.

Free reserves at 31 March 2025 amount to £163,091, which falls short of the lower target figure of £178,125 for unrestricted funds. In calculating reserves the designated fund (£258,130) and the net book value of fixed assets held (£308,643) have been excluded. Although the strategy is to continue to build reserves, the Management Committee is aware that it is unlikely that the target can be reached for a number of years.

The charity plans to continue the objectives and activities outlined above, subject to satisfactory funding arrangements.

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The company was incorporated on 22 October 1986 as a charitable company limited by guarantee, and also received charitable status from HM Revenue & Customs. The company was registered with the Charities Commission in Northern Ireland on 16 December 2015. 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. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

**Recruitment and appointment of new trustees**

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

Due to the nature of the charity's work the trustees seek to ensure that these needs are appropriately reflected through the diversity of the trustee body. To enhance the potential pool, trustees are requested to provide a list of their skills (and update it each year) and in the event of particular skills being lost due to retirement, individuals are approached to offer themselves for election.

**Induction and training of new trustees**

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. They also meet other trustees and are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

All trustees are already familiar with practical work of the charity.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

NI019910 (Northern Ireland)

**Registered Charity number**

103568

**Registered office**

Unit 22 Rampart Way  
Greenbank Ind Estate  
Warrenpoint Road  
Newry  
Co. Down  
BT34 2QU

**Trustees**

C P Bagnall Mobile Engineer  
Ms M D M Coulter Solicitor  
R G Coulter MBE Building Contractor  
K McGivern Chartered Accountant  
C O'Hare Administrative Officer

**Company Secretary**

Mrs B Rocks

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Independent Examiner**

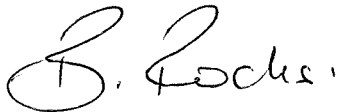
Mr Conaill McGrady FCA  
M.B.McGrady & Co  
Chartered Accountants  
Rathmore House  
52 St Patricks Avenue  
Downpatrick  
Co. Down  
BT30 6DS

**Solicitors**

MDM Coulter  
125 Harbour Road  
Kilkeel  
Co.Down  
BT34 4AT

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

Approved by order of the board of trustees on 23 June 2025 and signed on its behalf by:



Mrs B Rocks - Secretary