

FIRST STEPS WOMEN'S CENTRE

Report of the trustees for the year ending 31 March 2023

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2008, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Our purposes and activities

Charity's Vision: *Confident women empowered to participate in and influence society.*

Charity's Mission: *Supporting women's professional and personal development through education and training.*

Charity's Values:

- We value integrity, honesty and recognise our unique contribution
- We welcome all equally
- We value accountability and promote quality through continued reflection and improvement
- We use a person-centred approach, realising individual potential

Our own constitution states that our objects include the:

- (a) relief of unemployment among women in such ways as may be thought fit, including assistance to find employment;
- (b) advancement of education, training or retraining and providing unemployed women with work experience;
- (c) provision of recreational facilities for women or those who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
- (d) preservation and protection of health of women and the provision of childcare.
- (e) development of the capacity and skills of women in the area of benefit in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.
- (f) promotion of social inclusion, equality of opportunity and good relations across all diversity strands, including race, ethnicity, age, sexual orientation, religion and disability and to encourage diversity.
- (g) establishment or securing the establishment of a Centre, and to maintain and manage the same (whether alone or in co-operation with any local authority or other person or body) in furtherance of these objects.
- (h) promotion of all or any objects for the benefit of women who live in Mid Ulster (the "area of benefit") which now or hereafter may be deemed by law to be charitable.

As an integral part of the Mid Ulster community and voluntary sector the Charity continues to focus on the personal development of women for the benefit of the wider community. The charity also has the general aim of contributing to the quality of life of the women in our community by expanding their horizons through the provision of exciting, challenging and accessible educational courses.

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In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commissions guidance on 'Public Benefit: Running a Charity (PB2)'. The Centre relies on grant income to cover its operating costs.

We endeavour to encourage all within our community to take part in our courses and programmes. The strategies employed to achieve the charity's aims and objectives are to:

- present a range of courses for the enjoyment and advancement of education to women in our community;
- offer opportunities for women in our community to get involved in exploring their creative powers;
- provide facilities for women and children to develop;
- celebrate the diversity of cultures in our society by programming courses by, and with, tutors of different cultural backgrounds.

Financial review

The income and expenditure for the year is detailed in the accounts.

A major financial concern for the Centre as with any charity will be the ongoing financial sustainability from funding in the years to come. The trustees are aware of the need to maintain free reserves, especially in the current economic climate. Continual fund raising will be necessary in order to retain sufficient levels of reserves.

We would like to acknowledge the continued support of our funders as referred to in note 4 in the accounts. It is important to recognise that without their funding really does make an impact. It contributes to improve confidence and prepares women to become empowered.

The income for the year was £533K of which £518K was received as grant funding. The expenditure of £560K is expended on charitable activities.

The balance of funds at 31 March 2023 was £739K of which £324K was unrestricted income of which £150K designated funds and £415K restricted funds.

Reserves policy and Plans for the future

Reserves are needed to bridge the gap between the spending and receiving of income as well as to cover unplanned emergency repairs and other expenditure. The trustees consider that the ideal level of reserves as at 31st March 2023 would be £150k. These are unrestricted income funds freely available for use as the charity so determines and excludes any funds committed to revenue expenditure or to be invested in tangible fixed assets.

Without the support of the European Social Fund, Department for Economy and Department for Communities, it is doubtful that the Centre could continue operating. The trustees are endeavouring to ensure the success of FSWC with a combination of measures by offering a creative programme that caters for women from all backgrounds and cultures within our community.

The European Social Fund (ESF) programme in Northern Ireland ended 31 March 2023, it will leave a huge funding gap in the community. There was a promise made by the UK Government that ESF funding would be replaced pound for pound. This replacement funding, known as UK Shared Prosperity Fund (UKSPF) will come online in April 2023. However, it has become clear that it will not be a 100% replacement of the ESF Funding. It looks like this fund will represent around 40-50% of ESF funding!

The damage to community and voluntary infrastructure due to the loss of ESF funding (a loss of £27.3million annually within NI) is massive. A total of 63 organisations received ESF Funding during the final call in April 2022.

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All of these organisations will now be at risk due to the end of funding and also the fact that there will not be a 100% replacement fund. The loss of ESF funding will leave a £275k deficit per annum in First Steps Women's Centres budget. This is approximately 60% of the overall budget and is a massive gap in FSWC's funding and finances.

By March 31 2023 FSWC had already £200k in place for the year 2023-24. This equates to 40% of the annual funding. FSWC has sought to identify alternative funding from a number of different sources. These include Peace Plus and the UKSPF. However, at this time (March 2023) there is nothing definitive from Peace Plus and the UKSPF. An application made to the Lottery for £485k over five years was successful and FSWC received notification of this in December 2022. This equates to £97k per annum.

The loss of funding has had repercussions for the staff, the Centre and the broader community of Mid Ulster. At the end of March 2023, we bid farewell to five staff that were made redundant due to the end of the ESF/DFE funded project Women into Education and Employment.

The trustees having reviewed the financials of the Centre consider that with future reduced available resources the Centre would have to consider operating on a 3-day week albeit with a potential reduced capacity. The trustees and staff and volunteers recognise the impact this would have on the users of the Centre, their families, staff and wider community. There could be a reduction in the levels of Wellbeing, Life skills and IT programmes. Services such as our Creche and Minibus Transport would also be reduced and the withdrawal of our Benefit Checking Service.

With current world-wide events, and its impact being felt globally, First Steps Women's Centre is helping displaced families in providing a nourishing environment to feel secure and grow in confidence to enable them to integrate in our community. The importance of contributions from Centre's like ourselves should never be allowed to be underestimated and to go unrecognised. Experience and feedback are indicators of the immeasurable value that FSWC has contributed to users and their families. And like all women who have attended this Centre who have never given up, we too at FSWC, will strive to ensure that we can continue to operate a 5- day week.

FSWC will continue to seek to build up reserves and to attract funding from other nongovernmental sources.

The charity's largest source of grant funding was for the Women Towards Education & Employment (WTEE) project funded by the Department for the Economy's Northern Ireland European Social Fund programme. This programme has ceased. It is hoped that First Steps Women's Centre will continue to deliver similar programmes through the UK Shared Prosperity Fund (UKSPF).

Furthermore, the First Steps Women's Centre receives funding from the Department for Communities for core salary costs. Due to the uncertainty arising from the lack of an operational Executive at Stormont, this funding is currently confirmed until March 2024. The trustees have a reasonable expectation that this funding will be extended, however are also planning to mitigate the risk of funding not being secured by sourcing alternative funding and considering alternative income streams. The trustees have also considered the extent to which activities and expenditure should be curtailed, should circumstances arise.

The Trustees have examined the charity's requirements for reserves considering the main risks to the organisation and established a formal policy which stipulates that free reserves be maintained at a level which ensures that the charity's core activity could continue during a period of unforeseen difficulty. Free reserves are defined by the Trustees as unrestricted income funds freely available for use as the charity so determines and thereby excludes any funds committed, invested in tangible fixed assets held by the charity and restricted or designated funds.

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It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to a minimum to three month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

Based on the year ended 31 March 2024 projected expenditure (excluding depreciation and non-recurring costs) of £425K, the target level of designated reserves is £150K. Free reserves of the charity as at 31st March 2023 are £325K of which £150K has already been designated to reserves. The Trustees are pleased to confirm that the charity is compliant with its reserves policy. The Trustees continue to strive to maintain a general level of reserves in accordance with their policy so that they will be able to continue the current activities of the charity.

Reference and administrative details

Registered Office: 21a William Street, Dungannon, Co Tyrone, BT70 1DX.

Our advisers

Auditor; E A Grimley & Co Limited, 16 Clonoe Village Business Park, 98 Washingbay Road, Clonoe
Dungannon, Co Tyrone, BT71 49U
Bankers; Danske Bank Limited, Market Square, Dungannon, Co Tyrone
Solicitors; P Haughey, William Street, Dungannon, Co Tyrone BT70 1DX

Key management personnel First Steps Women's Centre: Trustees' and Directors

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Chair:	Maria McGilly		
Treasurer	Katalin Hajdu		
	Paula Smyth		
	Wendy Wigton		
	Edel Cunningham		
	Siobhan Wallace		
	Nicola Quinn	appointed	26 September 2022
	Marli Wilson	appointed	30 November 2022
	Geraldine McAuley	resigned	26 September 2022
	Mary O'Neill	resigned	26 September 2022
	Louise Mallon	resigned	16 November 2022
	Helen O'Donnell	resigned	16 November 2022
	Janice McMullan	resigned	30 November 2022

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Key management personnel:

Senior managers of First Steps Women's Centre:

Chief Executive Officer:
ESF/DfE Project Manager

Michael McGoldrick
Yvonne Corbett

Structure, Governance and Management

Governing Document

First Steps Women's Centre is a Company Limited by Guarantee governed by its Memorandum and Articles of Association updated on 6 October 2021.

It is a registered charity with the Charity Commission Northern Ireland. The registration number is NIC 101 202. The charity was registered as a charity under the Corporation Taxes Act 1988, registration number XR 27582. First Steps Women's Centre is registered with the Financial Conduct Authority. The registration number in FRN:618755

Appointment of trustees

As set out in the Articles of Association the maximum Board members shall be 10 and the minimum number 5. One third of the members shall be co-opted by way of public advertisement. All members are circulated with invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

Trustee induction and training

New trustees undergo an orientation session to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of 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.

Any person wishing to become a board member must apply in writing for approval by the Trustees. It is a requirement that the board members attend an induction process covering good governance. During the induction they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of trustees, which can have up to 10 members, administers the charity. The charity is managed by the Trustee Board, which meets at least 6 times per year.

The charity CEO liaises between meetings with the Chair and Treasurer to ensure the smooth running of the organisation.

To facilitate effective operations, the CEO has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment.

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Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee and senior manager of the charity with a funder must be disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported.

Pay policy for senior staff

The rates of pay are in line with the NJC scale.

Risk management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity may face
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the CEO to ensure sufficient working capital by the centre.

Attention has also been focussed on non-financial risks arising from fire, health and safety staff, volunteers and clients. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place and regular awareness training for staff working in these operational areas.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the First Steps Women's Centre for the purposes of company law) are responsible for preparing the trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 charity will continue in operation.

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

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The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information of which the charitable company's auditor is unaware, and
- the trustees, having made enquiries of fellow directors have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

E A Grimley & Co are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

This report was approved by the board of trustees and signed on its behalf by the chairperson



Maria McGilly,
(Chairperson)

Dated: 22nd November 2023