

TRUSTEES' ANNUAL REPORT
(Incorporating the Members' Report)
for the year ended 31 March 2023

The Trustees are pleased to present their annual members' report together with the financial statements of the charity for the year ending 31 March 2023, prepared in accordance with Charities SORP (effective January 2015).

The Trustees are those who served during the financial year, together with the dates of any changes are listed below.

Reference and Administrative Details

Registered Charity name: Limestone Youth Training Project Ltd

Charity Registration number: 101587

Co-operative and Community Benefit Societies Act Number: IP00039

HMRC charity number: NI00688

Registered office: 10-12 Rosemary Street, Belfast, BT1 1QD

Auditors: Malone Accounting Ltd, 12 New Street, Newry, BT35 6JD

Bankers: Danske Bank, Belfast Finance Centre, PO Box 183, Donegall Square West, Belfast, BT1 6JS

Solicitors: Kearney Sefton, Franklin House, 10-12 Brunswick Street, Belfast, BT2 7GE
Tughans, Marlborough House, 30 Victoria Street, Belfast, BT1 3GG

Principal Activities

The principal activity of the charity is providing fully supervised education and training of trainees by qualified tutors.

Trustees

The Trustees who served during the year are as follows:

William McIlroy
Hilary Kearney
Collette Steele
Nicole Doherty
Noelle McClintock

Secretary

Noelle McClintock

Objectives and Activities

The charity's mission is:

To provide each learner with a diverse education and training programme in a safe, supportive environment that promotes self-discipline, motivation and outstanding teaching and learning opportunities.

To advance education, in particular for young people, by providing training facilities for the acquisition and development of occupational skills and work experience. The direct benefits which flow from this purpose are the advancement of training and life skills. The Charity seeks to provide a structured educational environment that develops students' capabilities, competencies and skills.

The charity has four campuses across Northern Ireland in Belfast, Ballymena, Newry and Portadown. We are a modern and contemporary organisation recognised as a sector leader in education and training.

Achievements and Performance

For the last two years Limestone Youth Training Project Ltd trading as Academy Hair and Beauty Training School has experienced a dramatic decrease in recruitment figures leading to a significant decrease in funding claimed from the Department for the Economy (DfE). These unique and unforeseen circumstances occurred due to the Department making the decision that when the Academy's Training for Success Level 2 contract and those contracts held by all other training organisations ended in July 2021 that would bring to an end the Academy and all other training organisations being able to deliver NVQ Level 2 in either hairdressing or beauty therapy. There was no tender available to compete for the new Level 2 Traineeship programme as the Department had already taken the erratic and misguided decision to award the Traineeship Level 2 contract to the Further Education Colleges throughout the province. This came as a severe blow to the Academy as we have held the accolade of Grade 1 Outstanding training provision vested to us by the Education Training Inspectorate (ETI) for over twenty years an accolade which no Further Education College has been able to consistently achieve. The most recent ETI inspection in May 2023 not only stated the "Academy Hair and Beauty Training School delivers outstanding training and education in all areas of the provision" but also that there were "no areas for development" a first for any training organisation or Further Education College.

Mr McIlroy has sought to ascertain any justifiable reasons why the Department had made the decision to gift the delivery of the Level 2 training provision to the Further Education Colleges but to no avail. He has spoken with the Department and ETI officials but they have not been able to answer his questions and concerns as to the reasons why they would deprive the learners, employers, parents, stakeholders and the wider community accessing the highest quality training provision at the Academy in favour of the much inferior training provision offered by the Further Education Colleges. Mr McIlroy has requested a meeting with the Policy Branch within the Department to address why they had considered it prudent to take the decision to remove the Level 2 provision from the Academy when the Academy provides the highest quality training provision throughout Northern Ireland which has been inspected repeatedly over the last 25 years not only by the Education Training Inspectorate but by awarding bodies and the Department for the Economy itself all concluding that the training provision at the Academy is outstanding.

With such a significant decrease in recruitment and funding due to this inexplicable decision by the Department there are now major concerns about the sustainability of the Academy as it currently operates. Mr McIlroy and the Board have been forced by this decision to review the Academy's current business plan and formulate a new form of provision to ensure that the Academy is sustainable and continues to offer an outstanding provision.

Financial Review

Income

Income from Department of Economy funding for trainees reduced by £910,275 in the charity, overall Income decreased by £1,019,963 in the charity.

Expenditure

Overall expenditure for the charity was £1,629,010 in 2023.

Going concern

We consider it prudent in the current economic climate to maintain a substantial reserve that will allow the charity to meet the funding changes which the wider economic situation may impose. It is the Trustees' view that this is sufficient to ensure that the going concern assumption is appropriate.

Balance Sheet

The Balance Sheet remains healthy with unrestricted funds of £3.8m in the charity, including bank balances of £2.5m. The charity has no debt.

Investment policy

The charity invested cash reserves in a deposit account. The charity sold its investment property in the previous financial year.

Reserves policy

The General Fund is an unrestricted fund and is used for the day to day operation of the charity. The Trustees review the value of the reserves retained in the form of fixed assets, cash and cash equivalents not held for restricted purposes. The Trustees consider the charity's exposure to major risks in terms of their likely impact on its income sources and planned expenditure in the short to medium term, as well as assessing the best way to mitigate such risks. The major risk to be managed with regard to income is fluctuation in trainee numbers on a year to year basis.

The present level of free reserves of the charity is £3,887,184 and the Trustees view this as sufficient to offset any short to medium term reduction in trainee numbers and to ensure that the going concern assumption is appropriate.

Plans for future periods

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Risk Management

The Trustees consider that the main risk to the charity is the reduction in the number of trainees and therefore reduction in income that the charity receives as a result.

The Trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that the charity faces;
- 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.

Structure, Governance and Management

The charity is incorporated in United Kingdom. As a mutual society under Co-operative and Community Benefit Societies Act, registration has now been transferred to the Financial Conduct Authority, company number IP000239. The rules and memorandum of association and articles of association are available on public record through FCA website.

Governing Document

The charity is governed by its rules dated 6th March 1980.

Charitable status

Limestone Youth Training Project Ltd is a registered charity with the Charity Commission for Northern Ireland, registration number NIC 101587.

It is also recognised as a charity for taxation purposes by HMRC, registration number NI00688.

Appointment of Trustees

The charity is managed by a board which consists of all the appointed trustees and meets on a monthly basis. The charity has 5 trustees on its board. Three of these trustees are employed within the charity. These are individuals who have many years' experience who have been employed for a total of over 50 years. They were appointed as trustees for their necessary skills and experience and the charity has authority within its rules to appoint them.

They bring on board key skills and experience in education, training and financial administration to the charity. They do not make decisions on remuneration of employees and there are no conflicts of interest in their day to day employment duties.

Three of the charity trustees were paid for their respective employment roles within the charity. Neither Mr McIlroy nor Mrs Doherty receive any remuneration. The total employee benefits of the trustees' remuneration in their employment roles is £138,367 (2022 – £132,015). Due to GDPR rights of the individual employees, their names and their salaries are not disclosed in the trustees' report.

These trustees form part of the key management personnel of the charity, however this is permitted in the rules of the society under Co-operative and Community Benefit Societies Act (Northern Ireland) 1969.

Trustee induction and training

Each Trustee received induction training through which they are made aware of their legal obligations under charity and company law, the content of the rules of the society, the governance structure, the committee and decision making processes, the business plan and recent financial performance of the charity.

Trustees' Responsibilities in relation to the financial statements

The trustees are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the trustees as directors to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charitable 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 the net income or expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Charities SORP (effective January 2015) in accordance with FRS 102 has been followed;
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 2008, and all Regulations to be construed as one with that Act. 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.

Statement as to Disclosure to our auditors

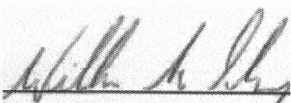
Each of the persons who is a Trustee at the date of approval of this report confirms that:

- So far as each Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- Each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.


Auditor

Malone Accounting Ltd is deemed to be re-appointed as auditor in accordance with Co-operative and Community Benefit Societies Act (Northern Ireland) 1969.

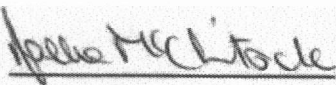
Signed by order of the Trustees on 11th August 2023.



William McIlroy (Trustee)



Collette Steele (Trustee)



Noelle McClintock (Trustee)