

NORTH CITY BUSINESS CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 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).

Objectives and activities

a. Objects

The objects of the company shall be the promotion for the public benefit of urban regeneration in North Belfast (the "area of benefit"), being an area of social and economic deprivation, by all or any of the following means:

- The relief of poverty in such ways as may be thought fit;
- The relief of unemployment in such ways as may be thought fit, including assistance to find employment;
- The advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;
- The provision of financial assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help; (i) in setting up their own business, or (ii) to existing businesses;
- The creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms.

b. Vision, mission, values, aims, objectives and strategies

North City Business Centre's vision is to play a key role in developing a North Belfast:

- Which is vibrant and thriving with a sustainable mix of businesses;
- Where there are good employment opportunities, little unemployment, well skilled residents and a confident attitude for the future;
- With an attractive physical environment where people want to live and work;
- Where there is respect for other traditions and is free of sectarian interfaces.

The mission for North City Business Centre is to play the key if not the lead role in meeting North Belfast's needs by working individually and in partnership with others to address enterprise creation and development, skills for employment and as a catalyst for economic regeneration.

NCBC's values are:

- Service - Our services will be accessible and confidential to all who require them;
- Diversity - We embrace and celebrate diversity and encourage others to do so;
- Respect - We treat people with respect and dignity and demonstrate our commitment to the highest professional standards;
- Teamwork - We foster teamwork, fun, enthusiasm and a passion for enterprise development. We collaborate innovatively for the benefit of our North Belfast clients and stakeholders;
- Courage - We take appropriate risks, embrace creativity and innovation, strive for excellence and aim to achieve more;
- Leadership - We support and empower staff, clients, customers and stakeholders to be entrepreneurial, to take the initiative and make decisions that are beneficial for the community and the economic development of North Belfast.

The aim of NCBC is the relief of poverty in North Belfast through the creation of self-employment opportunities and to support small business to grow and create employment.

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NCBC key objectives are to:

- Develop new workspace and attract business to locate in North Belfast;
- Support Business;
- Grow onsite/offsite businesses;
- Encourage inward investment to North Belfast for employment.

The strategies adopted by NCBC are incorporated in a new three year strategic plan 2020 - 2023. This plan is reviewed regularly by the Trustees and focuses on ensuring NCBC achieves the stated objectives and meets the public benefit requirements.

c. Principal activity and business review

The Charity is the Local Enterprise Agency for North Belfast, with approximately 45,000 sq. ft. of accommodation available for new and established SMEs and not-for-profit organisations in North Belfast. Any business or organisation located in the Business Centre benefits from easy in/easy out licence agreements and a range of centralised business support services and guidance. In addition to property management the Charity provides enterprise awareness programmes, business start-up training, business advice and guidance and employment support for anyone from North Belfast considering setting up a business, developing their business or exploring self-employment as an employment option.

With sound financial and services management, the Charity ensures that the Business Centre is maintained to a high standard. In spite of difficult market conditions in the last few years and in particular the impact of COVID-19 and the cost of living crisis, NCBC's property rental income and occupancy rates have continued to perform well under the circumstances. The pandemic however has continued to have a significant impact on income received from the hire of conference, training and meeting room facilities in 2022/23. Principal funding for the Charity is derived from rental income from the business units and additional income is received through procurement of service delivery contracts, mainly in partnership with Belfast City Council, Enterprise NI, Belfast Local Enterprise Agencies and the Department for Communities (DfC).

Achievements and performance

Following the production of a revised Strategic Plan for the period 2020/2023 the company continued to deliver services within the context of its primary operations, as set out in the Plan, namely, property management and development and programme delivery for pre-start up and start-up businesses.

a. Strategic Plan 2020-2023

The Trustees met in June 2022 to review the performance of the Strategic Plan

The needs of NCBC's businesses, clients and the wider North Belfast business community will continue to be central to our business and will influence the development and delivery of our services during this period. Although we recognise there will be many challenges ahead, we are confident that we have the skills and capacity to meet these challenges.

The Trustees reiterated the company's commitment to providing positive change by working closely with a range of private, public and voluntary and community organisations and add value through partnership working. We will develop our organisational capacity to underpin delivery and will measure our outputs and outcomes to demonstrate our efficiency and effectiveness in delivering improved outcomes for customers and clients. Through this plan we will continue to contribute to strengthening both the physical and technical infrastructure for the business community in North Belfast as well as contributing to community cohesion and renewal in the area as a result of our regeneration activities.

To achieve our vision NCBC reviewed its high level strategic aims supported by key strategic objectives. These set our direction and provide focus for our work throughout the period of the Plan. An annual operational plan describes the activities that will be undertaken to achieve these objectives and the key performance indicators which will be used to measure success against our objectives. These revised strategic aims are as follows:

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- Strategic Aim 1 – Development of New Workspace and Attract Business to Locate in North Belfast - Develop and Deliver Phase 4 Capital Build Workspace and Potential Adam Street Development Site and be a Magnet for Businesses Locating to North Belfast;
- Strategic Aim 2 – Supporting Business - Support and Develop Enterprise and Entrepreneurship at the Pre-Start, Start-Up and Growth Stages;
- Strategic Aim 3 – Growing On-Site/Off-Site Businesses - Support, Develop and Grow Businesses in North Belfast;
- Strategic Aim 4 – Encouraging Inward Investment for Employment - Be a Catalyst for the Promotion of Business Investment in North Belfast.

b. Property

NCBC renewed its efforts to develop 32,000 square feet of new business space on its existing site following the granting of planning permission five years ago. This 'Phase 4' development will facilitate both greater numbers of small business start-ups, social enterprises and support ongoing training and enterprise advice work which will increase business enterprise capacity in North Belfast, provide economic development and physical regeneration for community benefit and enhance the future sustainability of the organisation. Towards the end of 2022 NCBC submitted a renewal of its planning application to Belfast City Council to take this project forward.

During the past year NCBC achieved a 98% average occupancy rate which increased from a 95% occupancy rate in the previous financial year.

In 2022 following a site property survey undertaken by Aviva, NCBC's insurers, a risk improvement report was produced and the recommendations contained in the report were implemented by the company.

c. Programmes

NCBC continued to maintain and expand its enterprise programme delivery during the past financial year. This was achieved by maintaining a range of partnerships and continuing to build a team of associate business advisers to increase the range of programme delivery activity offered by the Charity. These activities, most of which have been delivered virtually since the pandemic, included the delivery of the Northern Ireland 'Go For It' business start-up programme, facilitating access to Start-Up Loans, and the delivery of the Belfast City Council Kick Start Programme. NCBC also continued to manage and deliver the Belfast City Council Pathway to Enterprise Programme (PEP) and the final third iteration of the programme was concluded at the end of February 2023. NCBC was first commissioned by Belfast City Council in association with the Department for Communities to deliver the PEPs which were focused on supporting the economically inactive/long term unemployed who may face particular barriers in becoming self-employed/starting a business and were unable to access mainstream enterprise support programmes without additional support.

During the 2022/23 financial year over 25 clients were supported by this programme which also provided access to incentives for participating businesses to assist them with the start of their enterprise journey.

As a member of the Local Enterprise Agencies network NCBC continued to deliver the Northern Ireland 'Go For It' business start-up programme which delivers the programme on a NI wide basis with Enterprise NI as the lead contractor for this service.

NCBC was also one of the Local Enterprise Agencies in Belfast which delivered the Belfast City Council Kick Start Programme, which provides intensive mentoring support to businesses which have completed the 'Go For It' Programme or who have been trading no less than six months and up to two years. This service aimed to increase the survival rates of new start businesses in the city and also provided access to incentives for participating businesses. The programme concluded at the end of 2022.

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d. Quality Developments

ISO 9001 Audit

A recertification quality management audit was undertaken by the NQA in March 2023, the results of which were very positive.

e. Community Partnerships and Networks

NCBC continues to proactively engage with the North Belfast community and is an active supporter of the Antrim Road Business Association. The Charity also hosts North Belfast Hour on Twitter which provides a forum for business and community networking on a weekly basis in the area. The Charity has extended its activities across a range of social media platforms and also engaged extensively and positively with local community and political stakeholders as well as with Belfast City Council and Government Departments and continues to strengthen its strategic focus through membership of enterprise and third sector umbrella organisations.

At the end of 2022/early 2023, NCBC commenced engagement with the North Belfast Area Learning Community (NBALC) to explore how the company might contribute to entrepreneurship education in local schools and in a community education context in North Belfast. NBALC is made up of 11 post primary schools, and also includes Belfast Metropolitan College. Whilst the community recognises the autonomy and ethos of the individual schools, the member schools and BMC work in partnership to implement a curriculum that will better meet the needs of pupils. Being a member of NBALC allows pupils to access a wider choice of academic, applied and vocational courses.

Financial review

a. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern can be found in the accounting policies.

b. Reserves Policy

The Board of Trustees has in place a policy on cash reserves and aims to build these to £2 million to provide for working capital requirements, to fund unforeseen events such as emergency repairs to buildings and to build a fund to support potential future capital projects in the area in line with strategic growth plans. Under the memorandum and articles of association any monies requiring investing can be invested at the discretion of the Trustees.

The Trustees also seek to ensure that the overall general reserves fund is maintained every year by at least generating a break-even position on our income and expenditure during that year, while maintaining capacity to deliver relevant local enterprise training and advice services. Transfers from the designated fund to the general reserve is approved by the Trustees in accordance with the purpose of the fund, which is to support programme activity

c. Principal funding sources

The principal funding source for NCBC is rental income. Expenditure in the year has been applied directly to supporting the key activities of NCBC, including maintaining a high standard of services and support programmes.

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d. Investments

NCBC has an investment property which could be developed as an enterprise site in the future. This property produces a return which is much greater than the return that would have been received from bank deposits. The investment is deemed low risk and has a secure tenant with quarterly rental payments payable in advance. As well as generating regular and secure income, it is located close to the main site in North Belfast, therefore providing NCBC with a strategic site for any future developments.

In line with the strategic focus of the company to support potential future capital projects including the Phase 4 development, the Trustees have invested funds in a Brewin Dolphin income and capital growth fund. This investment performance is monitored and reviewed by the Trustees on a regular basis.

The Trustees believe the current value attributed to the investment property is not materially different from the last valuation, and find no need to seek an updated valuation. The need for revaluation is kept under regular review.

e. Financial

The Net Current Assets at 31st March 2023 were £310,274 with designated funds amounting to £1,922,263 reflecting an underlying unrestricted funds reserve of £2,645,736.

As noted in the reserves policy above, the Board seeks to maintain contingency reserves to cover unforeseen expenditure and to support the development of new capital projects. The Board also considers that there should be sufficient cash to meet at least 6 months foreseen operating costs.

The Board regularly reviews the amount of reserves that are required to ensure that they are adequate to fulfil the company's continuing obligations.

f. Risk policy

The Trustees who served during the year have undertaken an analysis of the work of the charity, identified the major risks to which the charity is exposed and are satisfied that all appropriate policies, practices and procedures are in place to mitigate those risks.

Plans for future periods

2022/23 witnessed the review and development of NCBC's current strategic plan as the company navigates a way forward following the significant changes in our operating environment and the impact of the COVID – 19 pandemic and the cost of living crisis.

NCBC has continued to develop its capacity over the past few years to enhance the delivery of business start-up programmes with a particular focus on the delivery of the Pathway to Enterprise Programmes (PEPs) in the Belfast City Council area. It is anticipated that this level of activity will continue and the Charity will develop and undertake new programmes both independently and with central and local Government during the next financial year.

In February 2023 following the issue of a Pre-Qualification Questionnaire, NCBC was appointed by Belfast City Council to its Dynamic Purchasing System (DPS) for Enterprise and Business Growth (EBG) for the following sub-categories, Start a Business Activity, Underrepresented Groups and Place Based Interventions.

In the coming years NCBC's proposed 'Phase 4' development will also facilitate both greater numbers of small business start-ups and financially support ongoing training and enterprise advice and development work as well as enhancing community capacity and regeneration in the area.

The Trustees consider that the development of additional enterprise space can be transformational within an economic development context for North Belfast and can help NCBC maximise community benefit and ensure the provision of relevant advice and support mechanisms for businesses in North Belfast.

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NCBC has been a catalyst for economic renewal in North Belfast and the Board and staff will continue to work with various stakeholders and influencers in the statutory, public and voluntary/community sectors to identify opportunities to make a positive contribution to continuing economic renewal and regeneration in North Belfast.

NCBC is in a strong financial position with regular income, generates surplus funds and has sufficient cash reserves to continue operations for the foreseeable future.

Structure, governance and management

a. Constitution

The company is constituted under a Memorandum and Articles of Association dated 12th June 1991. The company registration number is NI025633, and is registered with the Charity Commission NI, number NIC102266.

North City Business Centre (NCBC) is the Local Enterprise Agency for North Belfast. The area covers the North Belfast parliamentary constituency which means that our support is provided in North Belfast and some parts of the Antrim and Newtownabbey Borough council area. We provide business start-up advice and guidance for people thinking about starting a business. We undertake outreach in community areas throughout North Belfast to a diverse range of community organisations such as Neighbourhood Renewal Partnerships, local community groups of all kinds to encourage individuals to consider self-employment as an employment option and to encourage people to consider any type of economic activity at an individual or community level through a social enterprise.

b. Directors and Trustees

The Directors of the charitable company (the Charity) are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees. The members of the Board during the year are listed on Page 1 together with the Chief Executive Officer and the names and addresses of organisations or persons providing banking or professional advice to the charity. In accordance with the Articles of Association one third of Trustees are required to retire each year. If the number is not a multiplier of 3, then the number nearest one-third shall retire.

No Trustee had at any time during the year a material interest in any contract that was significant in relation to the Charity's business. Trustees are given the opportunity to declare a conflict of interest at each Board meeting should this situation arise. During the year, no conflicts were declared by the Trustees.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

D Williamson

D Deazley

O Magill

(Resigned 16 September 2022)

P Carlin

B Robinson

I McAvoy

D Morrow

R Manning

(Resigned 15 May 2023)

H Coghlan

(Appointed 19 December 2022)

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FOR THE YEAR ENDED 31 MARCH 2023

c. Method of appointment or election of trustees

NCBC has an open recruitment policy for new Trustees and places an open advertisement, followed by an interview and selection process. Due to the nature of the business, Trustees are appointed on the basis of their expertise divided into eleven main categories: strategic planning, governance, property management, economic development; community knowledge, financial expertise, human resource capability, legal, marketing, digital technology and fundraising expertise. The Board is reviewed annually to ensure that the appropriate mix of skills is maintained and to identify if any further skills are required to ensure that the Charity can continue to focus on its core work as a local enterprise and business support agency. Sadly, one of our long standing Trustees, Mr Oliver Magill, died during the year and one new Trustee, Ms Hannah Coghlan, was appointed during this financial year. It is anticipated that additional Trustees will be appointed during 2023/24 to fill skills gaps and diversify the Board's membership.

d. Policies and Procedures adopted for the induction and training of Trustees

The Trustees have approved a formal policy for the induction and training of Trustees. Trustees are familiar with the practical work of the Charity and are encouraged to attend charitable membership awareness events, governance training and seminars. New Trustees are provided with a structured induction programme within one month of their appointment. Ongoing training and development is provided to Trustees as the need arises.

e. Organisational structure and decision making

NCBC is a registered charity and a company limited by guarantee and was established in June 1991. It is governed by a memorandum and articles of association and is structured to ensure that our Trustees are able to access appropriate management information as required. Our structure also ensures clear management responsibility and accountability. Trustees set the strategic direction of the charity and take responsibility for governance of all activities and operations and delegate authority to the Chief Executive Officer who is responsible for the executive leadership of the company.

f. Related Parties

The Charity is a member of Enterprise NI, the Local Enterprise Agency network for NI, and collaborates with other Local Enterprise Agencies, in particular within the Belfast City Council area, to stimulate and support enterprise within the city of Belfast and across NI. NCBC continues to work closely with Belfast City Council to explore and address micro and small business development needs and is committed to contributing to the Belfast Agenda, the City's Community Plan.

g. Risk management objectives and policies

The Trustees have reviewed the major risks that NCBC is exposed to and have a risk management strategy, which comprises:

- A risk management policy
- An annual review of risks to the Charity included in the risk register
- Systems and procedures to mitigate risks identified
- Implementation of procedures to ensure minimum impact on the Charity should any of the risks materialise

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Statement of Trustees' responsibilities

The Trustees, who are also the directors of North City Business Centre for the purpose 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 year which give a true and fair view of the state of affairs of the charity 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 Trustees are required to:

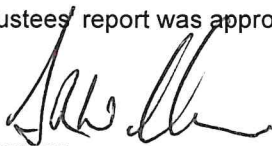
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume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

The Trustees are responsible for keeping adequate accounting records that 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. 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.

Auditor

In accordance with the company's articles, a resolution proposing that Miscampbell & Co be reappointed as auditor of the company will be put at a General Meeting.

The Trustees' report was approved by the Board of Trustees.



D Williamson
Trustee

25 September 2023