

FARSET DEVELOPMENT LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

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 Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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

The main objectives of the charity are to promote the benefit of the inhabitants of primarily North and West Belfast and elsewhere and in particular to provide relief for those in need by reason of youth, age, ill- health, disability, financial hardship or other disadvantage by the provision and management of residential accommodation, information, advice and other facilities, services, and support in the area of benefit.

Strategies for achieving objectives

To prevent and relieve poverty by providing necessary items such as bedding, clothing, food or fuel to those who cannot afford them.

Also, to advance education and to develop individual capabilities, competences, skills and understanding by maintaining, managing and supporting vocational employment designed to assist the Homeless, unemployed and people with learning disabilities.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Activities

Activities undertaken to achieve objectives

To promote and improve the efficiency and effectiveness of charities, voluntary organisations, community groups and not for profit organisations by the provision and management of conference and training facilities.

Main activities undertaken to further the company's purposes for the public benefit

Farset Development Limited provides residential accommodation, restaurant and banqueting, training and conference facilities and other support services (fuel, food, bedding, housing support, clothing bank, support work, community navigation, furniture etc.) to achieve its objective, the results of the main ones are listed below in the Review of Activities section.

The benefits which flow from these purposes include increased preservation of the local community and social inclusion; promotion of family life by provision of safe accommodation for vulnerable, those in poverty, and homeless members of the community including those facing financial hardship or discrimination leading to less anti-social behaviour; reduced levels of stress, anxiety and feelings of alienation and possible hardship for future generations; promotion of employment opportunities to develop individual capabilities, competences, skills and understanding; and the effective use of charitable resources. Benefits are evidenced through feedback from service users, the community and evaluation from funders.

This purpose does not give rise to any harm. The beneficiaries of this purpose are people living in primarily North and West Belfast and elsewhere.

A private benefit to trustees may arise from our programme of ongoing training in good governance, finance etc. through this training trustees gain skills and experience which are transferable to other settings. These skills are incidental and necessary to ensure the benefit is provided to the beneficiaries.

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Grant making policy

The Board of trustees has ultimate collective responsibility for all grant-making decisions in line with the FDL charitable purposes and any restrictions agreed with donors and funding partners. Trustees reserve the right to apply conditions to any grant. Trustees also reserve the right not to approve any recommendation or nomination if they (or those acting with their delegated authority) determine that the resulting grant would not be charitable or would conflict with the FDL stated policies or damage its reputation.

Volunteers

FDL seeks to create an enabling and facilitating environment for volunteering within the organisation in order to improve the quality of volunteering. Volunteer policy development is an opportunity for FDL to reaffirm their vision for volunteer support, improve their practice and work in partnership with colleagues to extend this approach across the organisation. It also outlines the principles on which the relationship between a volunteer and FDL is based.

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Achievements and performance

Significant activities and achievements against objectives

a. Main achievements of the company

The accommodation is used for those need e.g. families who live outside Belfast who need somewhere to stay to visit loved ones in hospital, local people who have received threats and cannot return home. In addition to this it provides residential accommodation, restaurant and banqueting, training and conference facilities and other support services (fuel, food, bedding, housing support, clothing bank, support work, community navigation, furniture etc.) There is a commercial side to the hostel which is deemed an important and necessary function to enable FDL to provide economic or free use of the premises. The hostel works directly with numerous local authorities including NIHE, Social Services, PSNI, local community reps & probation. We are recognised as a shared space by the community and organisations that use us.

b. Key performance indicators

The General Manager assumed appointment on 11 April 2021. The FDL Board had not formalised any KPI's for the ensuing year however KPI's were being worked to and whilst not exhaustive some of the key KPI's were as follows;

- Continue on the plan to Stabilise the business model and smooth out the erratic fluctuations
- To formulate and deliver on the 5 year plan for FDL
- NIHE
 - To get ratification of the NIHE contract for 23/24
 - To seek an increase in the room rate charge per person per night from NIHE
 - Continue to develop the business relationship between NIHE/FDL
 - To develop the relationship between Extern/FDL
- To structurally review the operating model and continue to make it make fit for purpose and relevant to the business model
- To Review all business systems
 - Review and implement an efficient cost effective business system fit for purpose
- To Review operating procedures. To review all policies. Where needed to produce new, Systems, operating procedures and policies.
- Review and implement a new web site
- Work to the budget P&L and Management accounts for 23/24
- To instigate a business model that is operated with the existing team
- Identify areas of the business that require people resource and implement that
- Carry out a full Accounts and business controls review with recommendations to be implemented. To be carried out in conjunction with the company auditor's
- Continue to implement the re-brand of FDL
- Creation of a support services team to operate in support the resident population of FDL and in tandem with our partners in NIHE with Sustaining tenancies
 - Housing Support
 - Sustaining tenancies – Food
 - Sustaining tenancies – Household goods
 - On site restaurant
 - Volunteers
- Continue with the programme of refurbishment and redecoration throughout the building. This is to include refurbishment of 25% of rooms.
- Implement the proposal for Business Development opportunities to include but not be limited to increases in occupancy potential.

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Review of activities

The charity has a number of activities running, the results of the major ones are listed below:

Provides residential accommodation, restaurant and banqueting, training and conference facilities and other support services (fuel, food, bedding, housing support, clothing bank, support work, community navigation, furniture etc.) The accommodation is used for those need e.g. families who live outside Belfast who need somewhere to stay to visit loved ones in hospital, local people who have received threats and cannot return home. There is a commercial side to the hostel which is deemed an important and necessary function to enable FDL to provide economic or free use of the premises. The hostel works directly with numerous local authorities incl. NIHE, Social Services, PSNI, local community reps & probation. We are recognised as a shared space by the for community and organisation that use us.

All income is used to serve and develop the charitable work. E.g. in the last year bookings included:

1, NIHE - a new Service Level Agreement has been signed for providing accommodation for the homeless population.

2, RESPECT - Re-Engaging and Supporting People to Enable Community Transformation - Free rooms and safe space for groups to work with Transient youth, Suicide programs and engaging young adults' programs as well as interface meeting and ongoing meetings/discussions with the PSNI.

3, Statutory bodies and Cross community safe space for community groups to come together as well as police, social care agencies, and housing. Free or discounted lunches for senior citizens groups this encourages them to leave their homes and socialise with the local community or senior citizens from different areas.

The restaurant and banqueting facility is called The Foundry and is mainly used for breakfast (for hostel). Some banqueting takes place e.g. sandwiches and soup for larger groups (conferencing). The facility also provides free meals for the homeless or those in poverty and struggling in the current economic climate

It employs a range of skill sets including receptionists, general grounds staff, housekeepers, night porters, driver and cooks.

Financial review

The main source of income is from accommodation and room hire of the Hostel, and grant funding received in the year.

In the year Fundraising activities were mostly limited to the main funding organisations. There was success in securing funding for to deliver training programmes as well as obtain some small capital equipment. This amounted in total to a further £3k.

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.

Reserves policy

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 between three and six 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. This level of reserves has been maintained throughout the year.

The company is in deficit this year, any discount will be needs assessed by the General Manger and approved by a director. The company has increased room rates and conferencing facility rates.

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Investment policy

Investment policy and performance

£250 of Ulster Community Investment Trust (UCIT) shares were purchased, this is a membership fee to UCIT now called Community Finance Ireland (CFI). These shares have no returns on this investment.

Major risks

Financial risk management objectives and policies

Managing financial risk for both individuals and corporations starts by working through a four-stage process that includes the following steps: Identifying potential financial risks; Analysing and quantifying the severity of these risks; Deciding on a strategy to manage these risks; and Monitoring the success of the strategy.

Plans for future periods

The plans for moving into next year are largely set out within the 5 Year Strategy with tactical considerations as they present. In the Strategy it sets out the main KPI's. The single most significant plan will be to take the strategy off paper and to implement it in a sustainable manner. Other plans will include the further completion of refurbishing all other rooms within the building and to improve the overall infrastructure as well as cosmetic fabric of the building. Focus to remain on HR related matters. Providing stability to the overall operating model and matching job roles and structure to the model.

Structure, governance and management

The charity is a company limited by guarantee and was set up by a Memorandum of Association. The company was incorporated on 25 November 1998, company registration number NI035254. In March 2015, the company was registered with the Charities Commission for Northern Ireland, charity registration number NIC101231.

The principal address and registered office of the charitable company is 466 Springfield Road, Belfast, BT12 7DW.

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:

Mr R McCaughey	(Resigned 22 November 2023)
Alderman W Agnew	
Dr C McGimpsey	
Mr R Butler	(Resigned 14 February 2024)
Mr R A Jones	
Ms D R Petticrew	
Mr G D Solinas	
Mr S Andrews	
Mr D Hagan	

Recruitment and appointment of trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. Serving directors have the power to appoint any person as an additional director. The number of directors serving at any time should not exceed fourteen. At each yearly AGM, a third of the directors are required to retire on a rotational basis, and they can be re-appointed.

Charity trustees must comply with the rules set out in their charity's governing document, including rules regarding who can be a charity trustee, when and how charity trustees are appointed and how long appointments can last.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Funds held as custodian trustee

No funds are held as custodian on behalf of others.

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FOR THE YEAR ENDED 31 MARCH 2024

Statement of trustees' responsibilities

The trustees, who are also the directors of Farset Development Limited 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 Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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.



Mr R A Jones
Trustee



Mr G D Solinas
Trustee

10 September 2024