

Cathedral Quarter Trust
Company Limited by Guarantee

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 March 2024

The trustees, who are also the directors for the purposes of the Companies Act 2006, present their annual report together with the financial statements of the Cathedral Quarter Trust for the Year Ended 31 March 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Cathedral Quarter Trust is a company limited by guarantee and does not have share capital. It is governed by its Memorandum of Articles of Association dated 4th February 2012 and revised 14th October 2015. Cathedral Quarter Trust is a registered charity with the Charities Commission for Northern Ireland. The Trust is a membership organisation with currently 11 members as at 31st March 2024, (9 in 2023) each of whom agrees to contribute £1 in the event of the charity winding up.

Appointment of trustees/Recruitment of Trustees

New members are recruited at any time. The Board of Directors, who are the charity's Trustees, approves all applications before prospective Trustees are put forward for election. The Board of Trustees ensures that the make-up of the Board sits within the criteria laid down in the Memorandum and Articles of Association and the Membership By-Laws. They determine if the nominee has the skills and ability to fulfil the role and that they fulfil the legal requirements to be a Charitable Trustee.

Applications from prospective Trustees are accepted and considered on an ongoing process. The organisation also actively recruits at least once a year to fill vacancies that open up due to the standing down of existing trustees.

Election of Trustees

The existing Board elect and re-elect all Trustees on an annual basis. New Trustees can be accepted at any of the Trust meetings, but Terms of Office are formally agreed at each AGM to ensure that the Board meets the requirements of the Membership By-Laws

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in note 13 and note 22 to the accounts.

Organisation structure and how charity makes decisions

The Board of Trustees, which can include up to 21 members, administers the charity. The Board normally meets bi-monthly. A Finance Committee (including membership, finance and audit) also meets as required. From April 2023 onwards, the Trustees managed the day-to-day operations of the charity including finance, employment and direct charitable activities

Role

Trustees are expected to establish a strategic vision, policies and strategic priorities for the organisation. Trustees are expected to participate actively in the organisation's governance and have ultimate responsibility for ensuring it is solvent, well run and is delivering the outcomes for which it has been established, and fulfilling its charitable purposes.

The Board of Trustees consists of no fewer than 5 and no more than 21 members and will meet at least 4 times per year.

Trustees have responsibility for:

- Setting the strategic vision of CQT and ensuring the vision, mission, value and activities remain true to its objectives;
- Ensuring compliance with the objects, purposes and values of the organisation, and with its governing document;
- Setting or approving policies, plans and budgets to achieve those objectives, and monitoring performance against them;
- Ensuring the solvency, financial strength and good performance of the organisation;
- Ensuring the organisation complies with all relevant laws, regulations and requirements of its regulators and funders;
- Dealing with the appointment (and if necessary, the dismissal) of senior staff;
- Setting and maintaining a framework of delegation and internal control;
- Agreeing or ratifying all policies and decisions on matters which might create significant risk to the organisation, financial or otherwise.

In addition

- Trustees are bound by an overriding duty individually and as a Board to act reasonably at all times in the interests of the organization and of its present and future stakeholders;
- All Trustees are equally responsible in law for the Board's actions and decisions, and have equal status as Trustees, indemnity insurance is provided;
- Each Trustee acts personally and not as a representative of any group or organisation, regardless of how the Trustee was nominated, elected or selected to become a Trustee;
- Trustees must ensure that they remain independent and do not act on behalf of any external organisation, group or individual;
- Trustees will build productive relationships with people across and outside the Board, will source and introduce useful contacts to CQT thus enabling the organization to use its resources effectively, and will seek out opportunities for collaborative working with other organisations;
- Trustees will be expected to disclose any personal or business interests that may or may not be perceived to influence their judgment in performing their functions or obligations.

Relationships with related parties

None of the Trustees receive remuneration or other benefit from their work with the charity.

Risk management

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;
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise, and;
- Ongoing oversight of an organisational Risk Register, reviewed annually.

Objectives and activities

The purposes of the charity are:

- (1) The promotion of the arts, culture and heritage in Belfast's Cathedral Quarter (the "area of benefit"), in particular by:
 - (a) promoting, organising and publicising cultural and arts activities, events, performances, initiatives and exhibitions, and encouraging complementarity and inclusivity in all offering;

- (b) encouraging interest in and raising awareness of cultural, arts and heritage matters and issues;
 - (c) encouraging public participation in the arts and in decision-making relating to cultural and arts activities;
- (2) The advancement of education of the public by raising awareness of the geography, social and economic history and architecture of the Cathedral Quarter;
- (3) The provision of facilities and amenities for cultural and recreational activities within the Cathedral Quarter with the object of improving the conditions of life of members of the public having need of such facilities by reasons of their age, sex, youth, disabilities, poverty and social and economic circumstances;
- (4) The advancement of community development by:
- (a) engaging with and assisting community and voluntary groups and organisations to organise and participate in cultural and arts projects and initiatives;
 - (b) providing facilities and space for creative and cultural activity.

In shaping their objectives for the year and planning their activities, the Trustees have considered the Charity Commission's guidance on public benefit.

The Vision and Mission of the charity:

'Our vision for the Cathedral Quarter is as the beating heart of Belfast; a welcoming, inclusive and culturally-vibrant area, celebrating its distinctive heritage and animating its creative future.'

With a Mission:

"To champion the artistic, cultural and heritage-focused regeneration of a thriving Cathedral Quarter."

To realise the Vision and Mission, the charity's aims and objectives are to:

- Celebrating the distinctive character of the Cathedral Quarter; Sustaining and developing arts and culture in the Cathedral Quarter;
- Taking the Cultural Pulse: Sustaining Positive Relationships and Partnerships; and
- Building resilience and sustainability.

In February 2023, the Trust received notification that core funding from the Department for Communities would be withdrawn with effect from 1st April 2023 due to public expenditure cuts as a result of Northern Ireland's 2022-2023 budget crisis.

This resulted in both members of CQT staff being placed on notice of redundancy.

The CQT Executive Assistant left the organisation on 31st March 2023 and the CQT Director left at the end of May 2023.

After consideration and consultation with stakeholders, the CQT Board decided to continue operation of the organisation, albeit at a much-reduced level of activity and without staff resource.

Until the end of March 2024, the main activities of the Cathedral Quarter Trust included:

Strategic Direction

- There was consensus by the Trustees that there remained a strategic need for the Trust, taking into account the Trust's advocacy role for the arts and culture sector; the planned, and delayed, major developments impacting the area; and future proposed decline of stakeholder representation across the city centre due to reduction of DfC funding;
- CQT would continue to advocate on behalf of Cathedral Quarter stakeholders, including but not limited to the protection of the local heritage, arts and culture sectors;

Culture Night

- CQT set up Culture Night Belfast (CNB) in 2009 and annually, led on delivery and development of this significant event up until 2021. The city's largest free cultural celebration, Culture Night grew from c15,000 attendees in 2009 to a height of c100,000 people for the two-day 2019 event. While very popular with the public and hospitality sectors, the event was judged by many within the arts sector (upon whose unpaid efforts Culture Night largely relied) to have evolved too far from its original aim of cultural celebration. Additionally, the exponential growth of the event presented an increasing challenge for the Trust in terms of resource, capacity to deliver and operational complexity.
- The advent of the COVID-19 pandemic resulted in the suspension of the event in September 2020 – with a digital version staged instead. In the same year CQT and Belfast City Council co-commissioned a Strategic Review of the event. The Strategic Review aligned with the ambitions of Belfast's ten-year cultural strategy 'A City Imagining' to develop a strong partnership-based approach to events and festivals in the city, including the strategic potential of developing a large-scale city-centre cultural event in partnership with Cathedral Quarter Trust.
- The Review highlighted the challenges of the existing event format and included consultation with a wide range of stakeholders, artists, venues, the hospitality and corporate sectors, the voluntary and community sector, funders and politicians. There was unanimity amongst all consultees (apart from within the hospitality sector) that Culture Night needed to radically change although there was a divergence of views about what form transformation should take.
- CQT initiated a period of intense reflection about the future direction of travel for Culture Night Belfast. Incorporating learnings from previous experience, successful national and international models and the stakeholder engagement as above, the Trust identified a set of recommendations in partnership with Belfast City Council to develop a large-scale flagship event for the city.
- In January 2023, the Trust undertook a recruitment process to appoint and employ a Creative Director, funded by Belfast City Council, to provide a three-year development and delivery plan for an annual large-scale city-centre cultural event. Very regrettably, the appointment was revoked in April 2023 due to the Department for Communities' withdrawal of funding for the Trust, as part of the widespread public expenditure cuts caused by Northern Ireland's 2022-2023 budget crisis.

As from April 2023, Belfast City Council undertook to develop a new flagship city event. The Trust will continue to advocate for a large-scale flagship event centred around the Cathedral Quarter area of the city, supporting local artists, venues and the creative use of vacant buildings and open spaces.

Advocacy & Collaboration

- Advocacy on behalf of Cathedral Quarter stakeholders and the area in general;
- Marketing and Communications of the Cathedral Quarter raising awareness of the area's history and cultural activity;
- Continued collaboration with Destination CQ BID, the Business Improvement District developed by CQT and approved by vote in April 2016. CQT is the first member of the BID Company; and
- Continue liaison and strategic collaboration with the arts, cultural, business and voluntary sectors.

This lower key advocacy role continued throughout the 23/24 year. The Trustees have met regularly to discuss various matters arising within the Cathedral Quarter and conveyed any concerns arising.

Achievements and performance

The twelve months up to March 2024 were primarily focussed on the future development of the Cathedral Quarter Trust and how the Board could ensure it remains active as the voice for stakeholders in the Cathedral Quarter.

Achievements during the year included:

- Finalising of the CQT Strategic Plan and ensuring the ongoing viability of the charity.
- Protecting the usable public space within the Cathedral Quarter for events by lobbying the Department for Communities to retain Writers Square which was due to be significantly reduced in size as part of the Tribeca redevelopment. This included
 - the appointment of a PR company to promote the Trust's cause;

- engagement with and lobbying of the Department for Communities, Belfast City Council and elected representatives to protect Writers Square's footprint as a workable open air venue.
- Protecting the historic buildings within the Cathedral Quarter. This included
 - challenging the ongoing dereliction of significant heritage buildings including the Assembly Rooms and Garfield House; and
 - lobbying Castlebrooke, the Department for Communities, Belfast City Council Planners and elected representative to support a timely heritage-led regeneration of Tribeca plans for the 12-acre scheme.
- Continued representation on the Destination CQ BID Board; and
- Continued engagement with the arts, culture and heritage sector, government departments, Belfast City Council, funders, developers and other local stakeholders

Financial review

CQT received a total of £4,200 of funding from NI Screen, of this £1,200 was repaid in May 2023 due to the inability of the Trust to fulfil the terms of its funded Agreement with NI Screen as a result of the redundancy to the Director of CQT.

After the withdrawal of core funding there was the requirement to pay statutory redundancy to the CQT Director in May 2023. This amounted to £5,017.50.

The Trustees have reduced all unnecessary outgoing to ensure the liquidity of the organisation.

The results for the year are set out in the income and expenditure account.

Investment powers and policy

The Trustees, having regard to the liquidity requirements of the charity, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation measured by the retail prices index.

Reserves policy and going concern

Reserves are needed to bridge the timing gap between spending and receiving of income and to cover unplanned temporary shortfalls in income should they arise. Holding adequate reserves safeguards the provision of services in the event of unexpected significant financial pressures. The Trustees consider that the ideal level of reserves would be between three to six-months expenditure which for the year ended 31 March 2024 would be between £5,000 and £10,000. Unrestricted reserves freely available to spend, therefore excluding fixed assets, restricted reserves and designated reserves amounted to £25,025.

The charity has historically had a strong reliance on funding from its two main funders: Belfast City Council and the Department for Communities. Following notification from the Department for Communities of the withdrawal of core funding the Trustees recognise that the current economic situation is one of unprecedented challenge and have taken the necessary steps to continue the operation and solvency of the charity, run on a voluntary basis, for the foreseeable future. The financial statements have therefore been prepared on a going concern basis as Trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future.

Plans for future periods

The lack of a funding continues to impact the Trust while the cost-of-living crisis, lack of regeneration combined with problems of anti-social behaviour and substance abuse in the area is having a negative effect on the Cathedral Quarter itself.

Over the coming year CQT will:

- Work to ensure ongoing organisational and financial stability within the context of reduced funding and wider economic pressures;
- Lobby and advocate for the Arts and culture sector including encouraging and supporting the development of new arts and cultural activities and entities in the area;
- Lobby and advocate for the cultural heritage of the area, encouraging appropriate and timely

development and regeneration in and around the area, including supporting preservation and reuse of heritage buildings and assets;

- Prepare and submit funding proposals and applications where possible, required for organisational stability and development and for the delivery of the CQT Strategic Plan;
- Explore and develop additional cultural participation and engagement opportunities to be delivered by the CQ area, including sectorial development initiatives, project applications and partnerships.
- Work closely with Destination CQ BID and other partners to deliver shared aims to make the Cathedral Quarter a better place to live, work and visit.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes 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 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 the incoming resources and application of resources, including the income and expenditure, for that period.

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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

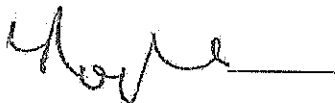
Going concern

After making the 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.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 26 February 2025 and signed on behalf of the board of trustees by:



A McReynolds Trustee