

Charity registration number NIC103061

Company registration number NI023055 (Northern Ireland)

EAST BELFAST ENTERPRISE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

EAST BELFAST ENTERPRISE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms N L Bothwell Ms B Brown (Appointed 28 November 2023) Mr G F Gilpin Mr D Graham Mr J M Hempton (Appointed 12 April 2023) Mr M J Hempton Mr G A J Robinson (Appointed 28 November 2023)
Charity number	NIC103061
Company number	NI023055
Registered office	68-72 Newtownards Road Belfast BT4 1GW
Auditor	GMcG BELFAST Chartered Accountants & Statutory Auditor Alfred House 19 Alfred Street Belfast BT2 8EQ
Bankers	Danske Bank Donegall Square West Belfast BT1 6JS
Solicitors	McCartan Turkington Breen Northern Court 16-18 Gloucester Street Belfast BT1 4LS

EAST BELFAST ENTERPRISE LIMITED

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EAST BELFAST ENTERPRISE LIMITED

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

By the close of 2022 a new strategy had been agreed by the Board to guide operations during the period from January 2023 to December 2025. The plan recognised that the previous period to December 2022 had been a period of recovery and renewal following the COVID crisis, when working patterns shifted and new pressures were brought to bear on households and on the public purse, which led to a shift in priorities. Against this background there was also the outworking of Brexit, which together with the challenges arising from the COVID pandemic resulted in a very turbulent external environment. The Board was able to chart a path through these challenges to focus on organisational sustainability and succeeded in delivering very successful results in relation to tenant occupancy and services delivered to clients.

Following completion of the final operating plan delivered under the 2019 – 2022 strategy, the Board agreed a new strategy, re-stating the charity's Vision, Purpose and Mission. The strategy has an underlying theme of sustainability with a renewed focus, following the uncertainties of COVID, on growth and positive community impact, which is summarised as follows:

Our Vision:

"To establish East Belfast as a vibrant social and economic hub."

Our Purpose

"To inspire and support entrepreneurs to establish and grow businesses in East Belfast and to have a positive social impact in the local community."

Our Mission:

"To provide entrepreneurs with facilities and valued services, to meet their changing economic and social needs"

To advance the strategy, focus will be on three strategic aims:

- To be recognised as a centre for business start-up support;
- To ensure organisational sustainability and to become financially independent from Government;
- To enhance Corporate Governance.

Key projects to be advanced during the strategy were agreed and some aims set out to be achieved under the operational plan for 2023. These are summarised as follows:

Aim 1: To Be Recognised as a Centre for Business Start-up Support.

a. Projects: Business Club.

b. SMART Objectives for 2023:

- (i) to complete costed feasibility study/appraisal by end of 2023;
- (ii) to launch Business Club in 2024.

Aim 2: To ensure organizational sustainability and become financially independent from Government funding

a. Projects: Business Club, Property Development, Net Zero, PR & Marketing

b. SMART Objectives for 2023:

- (i) by end of 2023 to identify services that can be sold to the market, through a fully researched feasibility study into the business club concept;
- (ii) By end of 2023 to have identified a short list of property development sites and funding options;
- (iii) By end of 2023 to complete pricing and benchmarking of property sites and develop sales and marketing plan;
- (iv) Install PV panels across all property sites by end of 2023.

Aim 3: To Enhance Corporate Governance

a. Projects: Board Membership and Roles, Board Committees, Documentation (Articles, Director Handbook, Policies)

b. SMART Objectives for 2023:

- (i) to restructure, renew and refresh the Board and sub-committees by end of 2023;
- (ii) Update relevant documentation, policies, procedures by end of 2023.

EAST BELFAST ENTERPRISE LIMITED

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

At the end of the first year of this strategy, progress was achieved across all of these aims, with research conducted regarding the business club idea and key capital projects identified and progressed in relation to a move towards net zero and to renew facilities to enhance property related revenue, strengthening core sustainability.

Following the research conducted throughout the year, it is clear that the idea of a stand alone business club, funded through revenue earned from services sold to the market is not feasible. However, other ideas did develop from this research, which could still progress the aim to be recognised as a centre for business start-up support and work will continue during the remaining years of the new strategy to develop initiatives in line with this aim.

Plans for capital projects were progressed during the year and a financial commitment was approved by the Board to refurbish the ground floor at City East, re-tarmac and refurbish guttering at the Albertbridge Road Site. Work commenced on the ground floor refurbishment at the end of the year and this will be completed in quarter one of 2024. Contractors were appointed for the projects at the Albertbridge Road site and these projects will be completed during the first half of 2024, once the weather conditions are suitable. Work has continued with Action Renewables to install PV panels, but this has been delayed due to volume of work currently being progressed by Action Renewables. A final agreement has also been made to install the EV charging points at City East, with legal agreements being finalised with Weev to install the charging points.

Work got underway this year to carry out a comprehensive review of corporate Governance and, as part of this work, there were some changes to the Board with Beverley Brown and Gareth Robinson both joining the Board in November 2023, following the departure from the Board of Joanne Jennings, who left the Board in April 2023.

The Board has restructured its operations by replacing the Finance and HR committees with three new sub-committees. The new committees are a Governance and Nominations committee to advise on Governance matters, Board membership and succession planning, an Audit and Risk committee to monitor risk and ensure compliance and a renewal of the HR committee to oversee HR matters. This restructure will enable the Board to discharge its responsibilities through pre-planned work programmes, ensuring the Trustees remain well informed and able to effectively govern the operations of the charity. Each new sub-committee has had membership agreed and terms of reference approved by the Board and the Board has re-affirmed its own terms of reference and statement of reserved matters.

There were no changes to staff during the year, but there was a long-term illness, which resulted in a requirement for external book-keeping and accounting support. This was provided in the first half of the year through a part-time post, following which a contract was put in place with Viable Corporate Services to provide the support. Towards the end of 2023, our Senior Receptionist commenced a period of maternity leave, with her absence being covered under a contract with staff supplied by PA2Day.

Core operations in 2023 were significantly impacted by the outworking of Brexit. In March 2023 all European funded programmes came to an end. An extension of the Go For It programme had been secured through Enterprise Northern Ireland (ENI) with the Councils until the end of September 2023 and the Urban Village Initiative approved funding for a one year extension of the Feel Good With Food project, but all other programme activity finished at the end of March 2023. Work continued through ENI to secure new programmes under UK Shared Prosperity funding, administered from the Central UK Department for Housing, Levelling UP and Communities (DHLUC). ENI succeeded in securing a new contract for Explore Enterprise with funding directly from DHLUC and secured a contract with the NI Councils to deliver a new Go Succeed programme, which is seen as a replacement for the Go For It programme and some other local Council initiatives. Activation of these programmes started in the final quarter of the year, with limited delivery during this period. Both programmes will be fully operational throughout 2024.

The financial challenges faced in securing and delivering contracts for service delivery through programmes were mitigated by another year of excellent performance on the tenancy side of the business. Occupancy levels started the year with 89.1% occupancy at City East and 100% occupancy at the ABR site. By the end of the year the occupancy at City East had increased to 96.9% and the ABR site remained at 100% let. This performance significantly exceeded budgets, resulting in an overall surplus generated by the charity for the year, in excess of budget enhancing core sustainability.

EAST BELFAST ENTERPRISE LIMITED

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

As a result of careful planning and good management, the Charity has navigated through difficult conditions to end the year in a strong financial position, whilst still delivering significant impact, core to the charity's stated objects.

Positive social impact is at the core of what this charity does and, in addition to the many individuals and businesses support through our core tenancy and programme services during 2023, the charity also engaged with the local community of east Belfast through the Connecting Communities Through Art project. This project involved over 30 workshops with members of the community including community groups, nursery and post-primary schools, businesses, politicians, sports organisations, disability groups, students and members of the ethnic minority community coming together to design and paint two large mural artworks. These artworks will be displayed on the exterior walls of the City East building and will depict a theme based around entrepreneurship in this part of the city. Plans are in place to install the final artworks in quarter one of 2024 and to launch the murals with a family fun day to be open to all members of the community at City East. It is expected that on completion of this project, over 200 people will have benefitted from their involvement and EBE will have benefitted from increased strengthening of relationships with our local community.

Overall, the charity has performed well throughout 2023 and has continued to have a positive impact on the community of East Belfast. I must give credit to the staff team for their diligent work and creativity shown in delivering valued services and returning a strong financial performance. I look ahead with optimism to continue delivery of the strategy in 2024, with ambitious targets in place to further progress our plans to expand our property footprint and bring new, innovative services to benefit the entrepreneurs and businesses of East Belfast.

I would like to conclude my report by acknowledging the support that I have received as Chair from my colleagues on the Board, all of whom are volunteers and bring considerable expertise and experience to their governance of the charity. There have been some changes to the Board and significant work has been completed during this year to update our Governance procedures and put in place new structures within the Board and sub-committees. There will be further changes in the years ahead, in the spirit of continuous improvement, but I am confident that the Charity is in a good place and has a strong Board now in place to take the business forward. Following the closure of our accounting period, in early January 2024, I was informed of the resignation from the Board of William Miskimmin and Jacqueline Locke. I was saddened to receive their resignations, but want to record personally and on behalf of the Board my thanks for the commitment, work and support that both members provided during their time on the Board. On a more positive note, I am delighted to have been able to welcome Beverley Brown and Gareth Robinson as new members to our Board. Both members are deeply committed to East Belfast and bring both great experience and contacts to support our endeavours.

As we look forward to 2024, there will be further challenges, but I believe that we can finally put the difficulties of COVID behind us and we will start to see a more settled economy emerging following the outworking of Brexit. It is also encouraging that we have an Executive back in place at Stormont, which can only be good for economic and political stability and will bring opportunities for us to influence future economic policy through our position with Enterprise Northern Ireland. All of this gives me great optimism for 2024 and beyond with a strong Board and Staff team that are well positioned to avail of opportunities for the Charity to further our ambition to establish East Belfast as a vibrant social and economic hub.



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Mr D Graham
Chairman

Date: 0706-2024

EAST BELFAST ENTERPRISE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 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 Articles of association, 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

The Charity's objects ("Objects") are specifically restricted to the following:

The promotion for the public benefit of urban regeneration within East Belfast and its environs (the 'area of benefit') being an area of social and economic deprivation, by all or any of the following means:

- (a) the relief of poverty in such ways as may be thought fit;
- (b) the relief of unemployment in such ways as may be thought fit, including assistance to find employment;
- (c) the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;
- (d) 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;
- (e) the creation of training and employment opportunities by the provision of workspace, buildings, and/or land for use on favourable terms.

Public Benefit

The public benefits that flow from the advancement of community development and the promotion of urban and rural development are:

- i. the creation of employment, training and work experience opportunities for residents living in economically and socially deprived areas and consequently a reduction in poverty, unemployment and hardship, leading to a better quality of life for the beneficiaries and consequent improvements in health and well-being;
- ii. enhanced knowledge about setting up and running small businesses and social enterprises resulting in increased levels of self-employment and better prospects of sustainable development;
- iii. increased levels of knowledge and transferable vocational skills among employees / work experience trainees, assisting in the creation of a more educated, skilled and qualified community;
- iv. a greater sense among the beneficiaries of more fulfilled and purposeful lives, resulting in a safer, more stable and cohesive community.

These benefits can be evidenced in records kept by various agencies of the number of jobs and work experience opportunities created and the numbers of those who have successfully completed training courses. Evidence can also be found in independent evaluations of the activities of enterprise agencies carried out by funding bodies and in community surveys of living standards and attitudes.

Some private benefit is obtained by the owners of small businesses who rent units on favourable terms, but this is ancillary to the main purpose and is greatly outweighed by the gains in public benefit.

No harm arises from any of these purposes.

EAST BELFAST ENTERPRISE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Activities

East Belfast Enterprise offers on favourable terms a variety of workshop units at our site on Albertbridge Road and office accommodation at the City East Business Centre.

A variety of meeting facilities, training rooms and a co-working space are available for hire to both businesses and community and voluntary organisations.

During the year the café operated by Urban Scullery left the premises to take up a new facility in the City Centre. This was a success for our Chairty, which had been able to support the café as a start-up business with mentoring advice and in an incubation setting, enabling the business to establish its brand and expand its services to a new location. The vacant unit that has been left will now be promoted to encourage another new or developing business to take occupancy and provide an important catering facility on-site for tenants and visitors attending City East.

Delivery of services through programmes was challenging during 2023, with the outworking of Brexit resulting in all European funding for programmes finishing in March 2023. The core focus of programme activity was to assist clients to set up new businesses and encourage further employment creation. This was delivered at the start of the year through the Go For It, Pathways to Enterprise and Kick-Start programmes. The European funding for these programmes finished in March, but funding was secured elsewhere to extend the Go For It programme until September.

During the year the charity supported Enterprise Northern Ireland to create and submit bids for funding to establish new programmes to replace those that were due to be lost from the withdrawal of European funds. This was successful and two new programmes were established, the Northern Ireland Explore Enterprise Support Service (Explore Enterprise) and the Go Succeed programme.

The Explore Enterprise programme was created by ENI with funding secured directly from the UK Department for Housing Levelling Up and Communities. EBE is contracted to deliver this programme in East Belfast under a service level agreement with Enterprise Northern Ireland. The programme aims to assist those that are currently economically inactive to investigate self-employment and explore the opportunity to start a business.

The Go Succeed programme is contracted between Enterprise Northern Ireland and the local Councils across Northern Ireland. EBE is contracted to deliver this service in East Belfast under a service level agreement with Enterprise Northern Ireland, to assist clients to develop their plans to start a business. The programme is in four stages, Engage, Foundation, Growth and Scaling. The Engage and Foundation stages focus on business start-up support and these stages of the programme are delivered by EBE.

The Explore Enterprise programme commenced in quarter two of 2023, with the Go Succeed programme delivery starting in quarter four of 2023.

In addition to the start-up support, EBE secured funding in 2023 to deliver one final year of the Feel Good With Food programme, funded by the Urban Village Initiative of the NI Executive Office. This programme supports local residents in the area to attend taster sessions on how to improve their diet to enhance nutrition, combat ailments and on an affordable budget.

EAST BELFAST ENTERPRISE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

The challenges of COVID had been largely overcome by the start of 2023, with some new hybrid working patterns now in place as a result of adaptations started during the pandemic. The importance of the property sites remained paramount to the sustainability of the charity with the service delivery part of the business under ongoing pressure due to lost revenue with the loss of EU funding. The renewed focus on tenant services that had been prioritised during the COVID pandemic following an organisational restructure, continued to generate positive results. Occupancy across both sites remained high, with the City East occupancy rising to the highest ever level of 99% let and the Albertbridge Road site remaining at 100% let.

The delivery of these programmes was more challenging with changes mid year following the end of EU funding and start of new contracts under UK Shared Prosperity funding. Despite these challenges, services continued throughout the year enabling the charity to continue to assist individuals to explore enterprise and entrepreneurship, with the aim of entering self-employment, thereby reducing dependency on state benefits and consequently addressing financial hardship and the relief of poverty and unemployment.

A summary of some of the programme activity that was delivered under contracts with a range of public funders including Belfast City Council, The UK Department for Housing, Levelling UP and Communities and The Executive Office and Urban Villages is as follows:

- **Go For It:** 122 enquiries processed and 61 business plans produced
- **Pathways to Enterprise:** 7 clients supported and 2 new business plans created and 65 hours of mentoring provided
- **NI Explore Enterprise Support Service:** 4 clients supported through 82 hours of mentoring
- **Go Succeed:** 69 enquiries processed with mentoring provided to 25 clients
- **Feel Good with Food:** The programme supported by The Executive Office through the Urban Village Initiative continued throughout 2023, providing on-line training and advice about how to improve health through nutrition to people from inner East Belfast. During the year the project worked with 4 local community organisations, Orchardville, East Belfast Mission, Sure Start and Flourish NI to make the sessions available to their clients.

The Governance of the charity was reviewed through the year, with the Board engaging in some training and a new structure of Board and sub-committees adopted. The previous Finance subcommittee was replaced by an Audit and Risk Committee and a Governance and Nominations Committee, with a new terms of reference also agreed for the HR subcommittee. New terms of reference and committee memberships were approved by the Board and this new structure will now be operational throughout 2024.

Discussions were ongoing during the year with Inspire Business centre to investigate opportunities for collaboration in property and programme services. No formal agreement has been reached, but some opportunities have been identified, which will be further progressed in 2024.

Foundry Events

There were four events held during the year to promote networking amongst tenants. These included a tenant "soapbox" event with 9 tenant businesses in attendance, a Halloween event attended by 17 tenant companies, a Macmillan Coffee morning with 30 attendees and a Christmas event for tenants with 38 attendees.

EAST BELFAST ENTERPRISE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Community Partnerships and Community Engagement

EBE continued to engage with local community organisations during its training delivery including the Orchardville Society, East Belfast Mission, Sure Start and Flourish NI. The CEO also continued to act as a Director on the Eastside Property company, a social enterprise subsidiary of the Eastside Partnership, which is involved in community led physical regeneration in East Belfast. This Board role is an important strategic position to ensure EBE remains connected to and informed about local community plans and activities in East Belfast.

The charity is also a member of the Northern Ireland Council for Voluntary Action, Social Enterprise NI, CO3 and Enterprise Northern Ireland, which enables strategic links to be made to other similar organisations operating across Northern Ireland. In 2021, the CEO took on the role of Chair with Enterprise Northern Ireland for three years, to completed in February 2024, but the role was extended for a further year and will now complete in February 2025. The CEO served on the Board CO3 during the year, giving further prominence to EBE's role within the broader third sector.

EBE continues to take the lead in organising the Eastside Awards to recognise endeavour from all walks of life across East Belfast. The 7th year of the Awards was celebrated with a gala black tie event in the Stormont Hotel in January, where a range of awards were presented to schools, businesses, community organisations and individuals from across East Belfast.

The Connecting Communities Through Art project continued throughout 2023. This project will culminate with the installation of two new mural artworks on the external walls of the City East Building. The project is a community engagement project, led by East Belfast Enterprise in partnership with Belfast Mural Arts and during 2023 there were over 30 workshops held with people from across the community to design and paint the artwork. Groups involved included:

- Ashfield Boys art group
- Ashfield girls year8 art group
- Glentoran Academy
- EBE Tenants
- Glentoran FC
- Lagan Village youth group
- Pitt park residents association
- Funders
- Belfast City Airport Paint session
- Doyle YC Paint session
- Indiana students paint session
- Ballymac mens shed paint session
- Orchardville paint session
- Blended paint session with short strand and pitt park residents @ short strand centre
- Titanic Quarter Ltd
- Catalyst
- East Belfast MLAs at Parliament Buildings, Stormont
- McArthur Nursery School

This project is due to complete in quarter one of 2024, with the final installation of the artworks.

Financial review

In accordance with required accounting policy, grants are recognised in the statement of financial activities when approved by the Trustees and communicated to the recipients, irrespective of the future period over which payments are to be made, and the obligations outstanding at the year end are recognised as creditors.

The charity had net incoming resources for the year of £34,941 (2022: £15,050). At the year end cash at bank and in hand was £366,137 (2022: £301,332).

At 31 December 2023, the total funds of the charity amounted to £3,804,532 (2022 - £3,769,591) comprising of restricted funds of £17,375 and unrestricted funds of £3,787,157 including designated funds of £3,312,400.

EAST BELFAST ENTERPRISE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves Policy and Going Concern

During the year the Board re-structured to establish an Audit and Risk sub-committee. This committee will focus on management of risk and flag any concerns to the Board. The Board of Trustees will review finances at every Board meeting and will ensure that the charity remains in a financial position in line with the Reserves Policy. The Board has approved a budget for 2024 and is of the view that the charity has no concerns regarding its continued status as a going concern.

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.

Plans for future periods

A new strategy was agreed by the Board at the end of 2022 to guide operations from 2023 to 2025. Work has commenced on delivery of this strategy, with a number of key achievements reported for 2023. Plans are in place for 2024, with a budget approved by the Board. These plans set out the next phase of delivery of the current strategy, with a focus on establishing core service delivery through the new programme contracts. Work will also continue with regard to ambitions to develop a further property site and a capital budget has been agreed by the Board to invest in refurbishments across the property portfolio. The refurbishment represents a renewal of property assets to encourage a greater return from increased rental revenues and use of conferencing, meeting and hot-disking facilities.

The plans to progress towards a net zero carbon emissions position will continue. In 2024 there are plans to progress installation of EV charging stations and PV panels on the rooves of the ABR site.

Structure, governance and management

The charity is a company limited by guarantee, governed by a voluntary Board of Directors.

The company is also a registered Charity with the Charities Commission for Northern Ireland and submitted its first return to the Charities Commission NI during 2017.

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:

Ms N L Bothwell	
Ms B Brown	(Appointed 28 November 2023)
Mr G F Gilpin	
Mr D Graham	
Mr J M Hempton	(Appointed 12 April 2023)
Mr M J Hempton	
Ms J M Jennings	(Resigned 12 April 2023)
Ms J Locke	(Resigned 21 January 2024)
Mr W H H Miskimmin	(Resigned 21 January 2024)
Mr G A J Robinson	(Appointed 28 November 2023)

Appointment of Trustees

As set out in the Articles, Directors of the Company (who serve as Trustees of the Charity for the purposes of Charity Law) are elected by the members of the company, or can be co-opted by the Directors. The maximum number of Directors will be 12, with a minimum of 3.

Trustee Induction and Training

Incoming Members of the Board of Directors are aware of the aims and objectives of the Charity and the manner in which the Trustees carry out their responsibilities. The Chair, supported by the Chief Executive, oversees an induction process for new Directors, who are provided with key documents, including the Strategic Plan and Articles of Association of the company. An overview of the operations of the company is provided by the Chief Executive and new Directors are afforded the opportunity to meet with key staff and view the key elements of the company's operations.

EAST BELFAST ENTERPRISE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Organisation

The Board of Trustees, which can have up to 12 members, administers the Charity. During 2023 as a result of a Governance review conducted by the Board, there were some changes made to Board operations. The Board has reaffirmed its terms of reference and Statement of Reserved Matters and will now meet a minimum of 4 times per annum.

New standing sub-committees of the Board have been appointed with membership and terms of reference for each committee approved by the Board. The three new subcommittees are an Audit and Risk committee, a Governance and Nominations Committee and an HR Committee, replacing the previous Finance and HR committees. The Audit and Risk Committee will meet a minimum of four times per year, the Governance and Nominations Committee will meet a minimum of three times per year and the HR Committee will meet a minimum of once per annum.

The operations of the charity are managed on a day-to-day basis by a Chief Executive, appointed by the Board of Trustees. The Chief Executive has delegated authority, within the terms of delegation approved by the Trustees, for operational matters including, finance, employment and HR. A management team has been appointed by the CEO to provide management oversight for key company functions including Programmes, Property & Tenancy and Finance & Administration. These management posts report directly to the CEO.

Pay Policy for Senior Staff

The remuneration of the Chief Executive and other members of senior staff is decided by the HR sub-committee, under delegated authority of the Board of Directors.

Risk Management

The Trustees have a risk management strategy, which was overseen during 2023 on behalf of the Board by the Finance sub-committee, but which will be overseen from 2024 onwards by the newly established Audit and Risk committee, under the delegated authority of the Board. A risk register is in place and this is reviewed at every sub-committee meeting. Any risks that are identified as significant through the review of the risk register are brought to the Board under a standing agenda item at each Board meeting. Any actions to mitigate risk, which are decided by the Board are delegated to the CEO to ensure risks identified are appropriately addressed. Current risks identified have categorised risks under those relating to Finance, Property, Staff, Equipment and Data, Public liability and Professional liability, Political and those risks relating to the COVID 19 pandemic. The register records procedures to mitigate against these risks both presently and in the future.

Related Parties and Co-operation with Other Organisations

During 2023, the Chief Executive continued in his paid role with Enterprise Northern Ireland as the Chair of the Board of Directors of Enterprise Northern Ireland. This appointment was approved at a Board meeting of the Trustees of East Belfast Enterprise in January 2021 and the appointment is due to finish in February 2024.

All of the Trustees serve in a voluntary capacity and do not receive any remuneration for their role as a Director (or Trustee). Any related interests are declared at meetings where the interest may arise and if any Trustee may benefit personally or in their business interests from a decision to be taken by the Board, the Trustee in question will be absented from the discussion and subsequent decision making process. The Charity complies with its conflict of interest policy, which sets out how conflicts of interest should be managed.

The Company is a member of Enterprise Northern Ireland, which is now under the Chairmanship of the CEO of East Belfast Enterprise and benefits from this membership by accessing contracts as a sub-contracted partner. Other memberships held by the Charity are for the purposes of seeking advice, information or knowledge of the Community and Voluntary sector and potential funders for the work of the charity. These memberships include membership of the Northern Ireland Council for Voluntary Action, CO3 and Social Enterprise Northern Ireland. The Chief Executive also serves on the Board of Directors of CO3 in a voluntary capacity, but there are no contractual relationships between East Belfast Enterprise and CO3.

EAST BELFAST ENTERPRISE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of East Belfast Enterprise 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;
- 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 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 GMcG BELFAST be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Mr D Graham
Trustee

Date: 0706-2024

EAST BELFAST ENTERPRISE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EAST BELFAST ENTERPRISE LIMITED

Opinion

We have audited the financial statements of East Belfast Enterprise Limited (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

EAST BELFAST ENTERPRISE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EAST BELFAST ENTERPRISE LIMITED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

EAST BELFAST ENTERPRISE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EAST BELFAST ENTERPRISE LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

EAST BELFAST ENTERPRISE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EAST BELFAST ENTERPRISE LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing potential risks of material misstatement in respect of irregularities, including fraud and non-compliances with laws and regulations, we considered the following:

- . The nature of the industry and sector, control environment and business performance, including the company's remuneration policies for directors, bonus levels and performance targets, if any;
- . Results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- . Any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instance of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- . The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006, and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

EAST BELFAST ENTERPRISE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EAST BELFAST ENTERPRISE LIMITED

Audit response to risks identified

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with tax authorities; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as they may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



EAST BELFAST ENTERPRISE LIMITED
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF EAST BELFAST ENTERPRISE LIMITED

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Nigel Moore FCA (Senior Statutory Auditor)
for and on behalf of GMcG BELFAST

2/7/24

Chartered Accountants
Statutory Auditor

Chartered Accountants & Statutory
Auditor
Alfred House
19 Alfred Street
Belfast
BT2 8EQ

EAST BELFAST ENTERPRISE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<u>Income and endowments from:</u>							
Charitable activities	2	622,513	67,859	690,372	515,839	139,560	655,399
Other trading activities	3	33,519	-	33,519	29,820	-	29,820
Other income	4	28,585	-	28,585	19,175	-	19,175
Total income		<u>684,617</u>	<u>67,859</u>	<u>752,476</u>	<u>564,834</u>	<u>139,560</u>	<u>704,394</u>
<u>Expenditure on:</u>							
Raising funds	5	42,315	-	42,315	84,381	2,114	86,495
Charitable activities	6	624,736	50,484	675,220	473,054	129,795	602,849
Total expenditure		<u>667,051</u>	<u>50,484</u>	<u>717,535</u>	<u>557,435</u>	<u>131,909</u>	<u>689,344</u>
Net incoming resources before transfers		17,566	17,375	34,941	7,399	7,651	15,050
Gross transfers between funds		769,399	(769,399)	-	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		786,965	(752,024)	34,941	7,399	7,651	15,050
Fund balances at 1 January 2023		3,000,192	769,399	3,769,591	2,992,793	761,748	3,754,541
Fund balances at 31 December 2023		<u><u>3,787,157</u></u>	<u><u>17,375</u></u>	<u><u>3,804,532</u></u>	<u><u>3,000,192</u></u>	<u><u>769,399</u></u>	<u><u>3,769,591</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

EAST BELFAST ENTERPRISE LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Intangible assets	11		3,500		-
Tangible assets	12		3,643,859		3,720,448
			<u>3,647,359</u>		<u>3,720,448</u>
Current assets					
Debtors	13	58,316		66,672	
Cash at bank and in hand		366,137		301,332	
		<u>424,453</u>		<u>368,004</u>	
Creditors: amounts falling due within one year	14	<u>(152,307)</u>		<u>(206,064)</u>	
Net current assets			<u>272,146</u>		<u>161,940</u>
Total assets less current liabilities			<u>3,919,505</u>		<u>3,882,388</u>
Creditors: amounts falling due after more than one year	15		<u>(114,973)</u>		<u>(112,797)</u>
Net assets			<u><u>3,804,532</u></u>		<u><u>3,769,591</u></u>
Income funds					
Restricted funds	18		17,375		769,399
<u>Unrestricted funds</u>					
Designated funds	20	3,312,400		-	
General unrestricted funds		<u>474,757</u>		<u>3,000,192</u>	
			<u>3,787,157</u>		<u>3,000,192</u>
			<u><u>3,804,532</u></u>		<u><u>3,769,591</u></u>

The financial statements were approved by the Trustees on ... 07/06/2024



Mr D Graham
Trustee

Company registration number NI023055

EAST BELFAST ENTERPRISE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	24		106,534		36,340
Investing activities					
Purchase of intangible assets		(3,500)		-	
Purchase of tangible fixed assets		(6,032)		(5,034)	
Net cash used in investing activities			(9,532)		(5,034)
Financing activities					
Repayment of borrowings		(27,050)		(59,891)	
Repayment of bank loans		(5,147)		(4,684)	
Net cash used in financing activities			(32,197)		(64,575)
Net increase/(decrease) in cash and cash equivalents			64,805		(33,269)
Cash and cash equivalents at beginning of year			301,332		334,601
Cash and cash equivalents at end of year			<u>366,137</u>		<u>301,332</u>

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

East Belfast Enterprise Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 68-72 Newtownards Road, Belfast, BT4 1GW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	Amortised over 4 years
---------	------------------------

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

ABR property	2% per annum straight line
Fixtures and fittings	20% reducing balance
Computers	33% per annum straight line
City East property	2% per annum straight line
City East equipment	20% per annum straight line
Foundry	2% per annum straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

In the prior year no depreciation was charged on ABR property and City East property. The impact of the change in accounting policy is to recognise depreciation of £67,600 in the year ended 31 December 2023.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Charitable activities

	Programmes	ABR Property	City East	Total 2023	Programmes	ABR Property	City East	Total 2022
	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£
Sales within charitable activities	70,979	-	230,297	301,276	167,807	-	174,647	342,454
Charitable rental income	-	209,528	154,861	364,389	-	195,973	145,219	341,192
Less: deferred income	24,707	-	-	24,707	(28,247)	-	-	(28,247)
	<u>95,686</u>	<u>209,528</u>	<u>385,158</u>	<u>690,372</u>	<u>139,560</u>	<u>195,973</u>	<u>319,866</u>	<u>655,399</u>
Analysis by fund								
Unrestricted funds	27,827	209,528	385,158	622,513	-	195,973	319,866	515,839
Restricted funds	67,859	-	-	67,859	139,560	-	-	139,560
	<u>95,686</u>	<u>209,528</u>	<u>385,158</u>	<u>690,372</u>	<u>139,560</u>	<u>195,973</u>	<u>319,866</u>	<u>655,399</u>

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Non-charitable trading activities	33,519	29,820

4 Other income

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Other income	28,585	19,175

5 Raising funds

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2023 £	2022 £	2022 £	2022 £
<u>Trading costs</u>				
Staff costs	1,786	4,296	2,114	6,410
Investment Management: Repairs and Renewals	40,529	80,085	-	80,085
Trading costs	42,315	84,381	2,114	86,495
	<u>42,315</u>	<u>84,381</u>	<u>2,114</u>	<u>86,495</u>

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Charitable activities

	Programmes	Property	City East	Total 2023	Programmes	Property	City East	Total 2022
	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£
Staff costs	53,332	-	40,246	93,578	68,641	-	98,000	166,641
Depreciation and impairment	-	37,947	44,674	82,621	-	3,043	13,841	16,884
Advertising	3,475	10,589	-	14,064	3,167	2,534	2,834	8,535
Skip hire	-	13,001	5,756	18,757	-	9,786	3,926	13,712
Motor & travel costs	2,419	136	-	2,555	367	42	635	1,044
Programme expenses	57,838	-	-	57,838	59,583	-	-	59,583
Foundry expenses	-	-	38,635	38,635	-	-	29,666	29,666
Professional fees	2,500	-	-	2,500	-	-	3,750	3,750
Other charitable expenses	-	-	-	-	1,239	-	404	1,643
	<u>119,564</u>	<u>61,673</u>	<u>129,311</u>	<u>310,548</u>	<u>132,997</u>	<u>15,405</u>	<u>153,056</u>	<u>301,458</u>
Share of support costs (see note 7)	5,264	118,559	227,121	350,944	278,126	-	-	278,126
Share of governance costs (see note 7)	-	-	13,728	13,728	23,265	-	-	23,265
	<u>124,828</u>	<u>180,232</u>	<u>370,160</u>	<u>675,220</u>	<u>434,388</u>	<u>15,405</u>	<u>153,056</u>	<u>602,849</u>
Analysis by fund								
Unrestricted funds	76,556	180,232	367,948	624,736	304,593	15,405	153,056	473,054
Restricted funds	48,272	-	2,212	50,484	129,795	-	-	129,795
	<u>124,828</u>	<u>180,232</u>	<u>370,160</u>	<u>675,220</u>	<u>434,388</u>	<u>15,405</u>	<u>153,056</u>	<u>602,849</u>

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	166,781	-	166,781	128,778	-	128,778
Accountancy & payroll services	20,824	-	20,824	-	-	-
Water services & rates	5,561	-	5,561	3,122	-	3,122
Heat & light	60,110	-	60,110	46,468	-	46,468
Cleaning	18,579	-	18,579	15,611	-	15,611
Insurance	14,560	-	14,560	12,319	-	12,319
Telephone	11,500	-	11,500	18,734	-	18,734
Security, alarms & maintenance	23,266	-	23,266	8,059	-	8,059
Loan & bank interest	8,763	-	8,763	10,674	-	10,674
Computer expenses	11,591	-	11,591	14,408	-	14,408
Sundry	9,409	-	9,409	19,953	-	19,953
Audit fees	-	4,950	4,950	-	4,441	4,441
Legal and professional	-	7,438	7,438	-	13,303	13,303
Staff costs	-	-	-	-	3,204	3,204
Strategic management	-	1,325	1,325	-	575	575
Trustee meetings	-	15	15	-	1,742	1,742
	<u>350,944</u>	<u>13,728</u>	<u>364,672</u>	<u>278,126</u>	<u>23,265</u>	<u>301,391</u>
Analysed between						
Charitable activities	<u>350,944</u>	<u>13,728</u>	<u>364,672</u>	<u>278,126</u>	<u>23,265</u>	<u>301,391</u>

Governance costs includes payments to the auditors of £4,950 (2022- £4,441) for audit fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

2023	2022
Number	Number
6	7
<u>6</u>	<u>7</u>

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Employees (Continued)

Employment costs	2023	2022
	£	£
Wages and salaries	228,565	259,332
Social security costs	19,220	22,709
Other pension costs	12,574	13,378
	<u>260,359</u>	<u>295,419</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023	2022
	Number	Number
£80,001 to £90,000	<u>1</u>	<u>1</u>

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Intangible fixed assets

	Website
	£
Cost	
At 1 January 2023	-
Additions	3,500
	<u>3,500</u>
At 31 December 2023	<u>3,500</u>
Amortisation and impairment	
At 1 January 2023 and 31 December 2023	-
	<u>-</u>
Carrying amount	
At 31 December 2023	<u>3,500</u>
At 31 December 2022	<u>-</u>

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Tangible fixed assets

	ABR property	Fixtures and fittings	Computers	City East property	City East equipment	Foundry	Total
	£	£	£	£	£	£	£
Cost/valuation or valuation							
At 1 January 2023	1,680,000	107,209	99,000	1,700,000	158,054	356,558	4,100,821
Additions	-	-	2,087	-	3,945	-	6,032
At 31 December 2023	1,680,000	107,209	101,087	1,700,000	161,999	356,558	4,106,853
Depreciation and impairment							
At 1 January 2023	-	107,209	84,490	-	154,687	33,987	380,373
Depreciation charged in the year	33,600	-	4,347	34,000	3,542	7,132	82,621
At 31 December 2023	33,600	107,209	88,837	34,000	158,229	41,119	462,994
Carrying amount							
At 31 December 2023	1,646,400	-	12,250	1,666,000	3,770	315,439	3,643,859
At 31 December 2022	1,680,000	-	14,510	1,700,000	3,366	322,572	3,720,448

At 31 December 2023, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £2,654,949 (2022 - £2,743,682).

The charity has adopted a policy of revaluation in relation to freehold property (Being ABR property and City East property). A valuation was carried out by Frazer Kidd valuing the City East Property on an existing use basis at £1,700,000 as at 31 December 2021. A valuation was carried out for the ABR property on an existing use basis at £1,680,000 as at 31 December 2019.

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

13 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	19,384	54,037
Other debtors	1,120	-
Prepayments and accrued income	37,812	12,635
	<u>58,316</u>	<u>66,672</u>

14 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	16	5,358	-
Other borrowings		24,900	64,631
Other taxation and social security		13,828	17,378
Deferred income	17	3,541	28,247
Trade creditors		18,240	19,667
Other creditors		68,278	62,175
Accruals		18,162	13,966
		<u>152,307</u>	<u>206,064</u>

15 Creditors: amounts falling due after more than one year

	Notes	2023	2022
		£	£
Bank loans	16	33,113	43,618
Other borrowings		81,860	69,179
		<u>114,973</u>	<u>112,797</u>

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Loans and overdrafts

	2023 £	2022 £
Bank loans	38,471	43,618
Other loans	106,760	133,810
	<u>145,231</u>	<u>177,428</u>
Payable within one year	30,258	64,631
Payable after one year	114,973	112,797
	<u>16,217</u>	<u>21,991</u>

Amounts included above which fall due after five years:

Payable by instalments	16,217	21,991
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The long-term loans are secured by floating charges over the property at 68-72 Newtownards Road.

Bank loans includes one loan repayable by monthly instalments of £2,652 at an interest rate of 7.25%. This other bank loan is repayable within five years.

Other loans includes one loan repayable by monthly instalments of £522 until 2030 at an interest rate of 2.5%. £16,217 is repayable after five years for this other loan.

17 Deferred income

	2023 £	2022 £
Other deferred income	3,541	28,247

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	3,541	28,247
Movements in the year:		
Deferred income at 1 January 2023	28,247	-
Released from previous periods	(28,247)	-
Resources deferred in the year	3,541	28,247
Deferred income at 31 December 2023	<u>3,541</u>	<u>28,247</u>

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds				Balance at 31 December 2023
	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£
Urban Villages	-	7,600	(7,600)	-	-	-	-	-
Co Innovate	-	1,626	(1,626)	-	-	-	-	-
NIBSUP Go for it	-	26,089	(26,089)	-	-	-	-	-
Erasmus Data Set	-	306	(306)	-	-	-	-	-
Feel good with food	-	15,642	(15,642)	-	10,221	(7,340)	-	2,881
Kickstart	-	41,191	(41,191)	-	-	-	-	-
Pathway	-	3,239	(3,239)	-	-	-	-	-
Street Culture for Regions	1,806	21,853	(23,159)	500	-	-	(500)	-
Mural Project	-	3,614	(3,614)	-	57,638	(43,144)	-	14,494
Renewal	-	18,400	(9,443)	8,957	-	-	(8,957)	-
Enterprise Projects	9,833	-	-	9,833	-	-	(9,833)	-
City East	750,109	-	-	750,109	-	-	(750,109)	-
	<u>761,748</u>	<u>139,560</u>	<u>(131,909)</u>	<u>769,399</u>	<u>67,859</u>	<u>(50,484)</u>	<u>(769,399)</u>	<u>17,375</u>

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Explanatory notes to the funds

Unrestricted Funds

General Fund

This fund is the result of the charity's strategic objective to establish reserves to provide sufficient funds to cover unforeseen costs which may arise, as well as allowing for the payment of any liabilities which would arise should the charity cease to operate.

Restricted Funds

Feel good with food

This is a project, funded by The Executive Office under the Urban Villages Initiative, which assisted people from the Eastside Urban Village area to engage in workshops providing advice and guidance on how to improve health outcomes through learning to cook food for a healthier diet, on a modest budget.

Mural project

This is a community engagement project, which was funded from a range of funders including Belfast City Council, George Best Belfast City Airport, Northern Ireland Community Relations Council, Radius Housing, Apex Housing, Clanmil Housing, Connswater and the Northern Ireland Housing Executive. The project engaged people from across East Belfast to design and paint two larger mural artworks, which were installed on the outer walls of the East Belfast Enterprise City East building. The project involved local schools, community groups, sports clubs, ethnic minority groups, disability groups and international students.

Transfers

The transfer of £750,109 during the year from the City East fund represents a partial element of the value of the property which has now been included in designated funds. Transfers are also made from the Street culture for regions, Renewal and Enterprise project funds to the general fund as the programmes have now completed.

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Incoming resources	Balance at 1 January 2023	Resources expended	Transfers	Balance at 31 December 2023
	£	£	£	£	£
Property fund	-	-	(67,600)	2,960,774	2,893,174
Property revaluation reserve	-	-	-	419,226	419,226
	-	-	(67,600)	3,380,000	3,312,400

Property fund

This fund relates to the value of the charity's ABR property and City East property.

Property revaluation reserve

This represents surpluses arising on the revaluation of the charity's ABR property and City East property.

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Fund balances at 31 December 2023 are represented by:					
Intangible fixed assets	3,500	-	3,500	-	-
Tangible assets	3,643,859	-	3,643,859	2,970,339	3,720,448
Current assets/(liabilities)	254,771	17,375	272,146	142,650	161,940
Long term liabilities	(114,973)	-	(114,973)	(112,797)	(112,797)
	<u>3,787,157</u>	<u>17,375</u>	<u>3,804,532</u>	<u>769,399</u>	<u>3,769,591</u>

22 Conduit funding

East Belfast Enterprise is responsible for receiving and distributing funds on behalf of Erasmus+ in respect of the Street Culture for Regions Project. During the year £40,064 was received and distributed by the charity in relation to this project. These funds have been treated as conduit funding and, as such, have not been recognised as income and expenditure of the charity. There were no balances held in relation to conduit funding at the balance sheet date.

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	101,036	80,454

During the year East Belfast Enterprise entered into the following transactions with related parties:

Johnston Kennedy DFK

East Belfast Enterprise currently purchases a payroll service from Johnston Kennedy DFK. This service is provided on a commercial basis by the payroll division of Johnston Kennedy DFK. Mr Duncan Graham is a Trustee and Director of East Belfast Enterprise Ltd and also a partner of Johnston Kennedy DFK. The total transactions in the year, and the amount due to Johnston Kennedy DFK at the year end was £1,051 net (2022: £1,090).

Enterprise Northern Ireland

The CEO of East Belfast Enterprise, Jonathan McAlpin, was also the Chair of Enterprise Northern Ireland, a role approved by the Board of Trustees at their meeting in January 2019. East Belfast Enterprise is a member of Enterprise Northern Ireland, paying an annual membership and subscription for Research Data (Cobweb) of £3,988 net. Jonathan received remuneration for his role with ENI and East Belfast Enterprise delivered contracts on behalf of Enterprise Northern Ireland during 2023.

Creating Retail Magic

Creating Retail Magic provides services for East Belfast Enterprise as part of the consultancy and advisory associate pool used by the charity. During 2023 gross services and costs of £482 were agreed with Creating Retail Magic, with no balance outstanding to Creating Retail Magic at the year end.

NB Chartered Communications

During the year East Belfast Enterprise made payments of £955 to NB Chartered Communications for their services, with no balance outstanding balances due at the year end.

24 Cash generated from operations	2023 £	2022 £
Surplus for the year	34,941	15,050
Adjustments for:		
Depreciation and impairment of tangible fixed assets	82,621	16,884
Movements in working capital:		
Decrease in debtors	8,356	8,129
Increase/(decrease) in creditors	5,322	(31,970)
(Decrease)/increase in deferred income	(24,706)	28,247
Cash generated from operations	106,534	36,340

EAST BELFAST ENTERPRISE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

25 Analysis of changes in net funds

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	301,332	64,805	366,137
Loans falling due within one year	(64,631)	34,373	(30,258)
Loans falling due after more than one year	(112,797)	(2,176)	(114,973)
	<u>123,904</u>	<u>97,002</u>	<u>220,906</u>