

**TOWNSEND ENTERPRISE PARK LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2024**

The trustees present their report and accounts for the year ended 31 March 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and 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)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The charity's objects are set out in the Memorandum and Articles of Association. The principal activities of the charity are that of:

(1) Promotion of urban regeneration for the public benefit in Belfast/Greater Belfast area and its environs (the "area of benefit"), by all or any of the following means:

- Creation of training and employment opportunities for the unemployed and underemployed by the provision of workspace, building and/or land for use on favourable terms;
- Provision of business advice or consultancy in order to provide training and employment opportunities for unemployed or underemployed people in cases of financial or other charitable need through help;
 - (i) in setting up their own business, or
 - (ii) to existing business or those considering establishing a business;
- The promotion and support of social enterprise and sustainable means of achieving economic growth and regeneration; and
- The relief of unemployment in such ways as may be thought fit.

(2) The advancement of community development in the area of benefit and in particular the promotion of the community and voluntary sector for the benefit of the public by providing facilities and other support to community and voluntary groups.

We have earned the reputation of being a major enterprise development player in Belfast having assisted many businesses, social enterprises and charities to start-up, develop and expand. We have also worked effectively with other stakeholders to lead the regeneration of important aspects of the built environment surrounding our premises and are making progress to promote and celebrate the area's important industrial, cultural and social heritage credentials for the benefit of the wider community.

The activities to meet our objectives are set out in an overall strategic framework based on four key pillars. During this year under each of these themes the charity has had the following achievements and performance.

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Resources

A high priority for us is to maintain jobs and support economic development in this area of high deprivation by continuing to offer suitable quality accommodation at favourable rates and subsidised service charge costs. Whilst these subsidies provided some private benefit to the owners of the small businesses who rent the units and offices we view this to be ancillary to the main purpose greatly outweighed by the gains in public benefit which can be identified and measured through the sustained labour resource in the area, among other benefits.

We continue to maintain a high occupancy rate (averaging 98%) during the period, despite continued pressure on tenants arising from ongoing inflationary pressures and a challenging funding environment for our third sector tenants, thus protecting jobs, and continuing to encourage economic and social regeneration.

We continue to invest in maintenance and upkeep of the estate more generally, prioritising works according to needs but ensuring that they remain fit for purpose and attractive to new tenants in a competitive renting environment, and that they meet all statutory and health and safety requirements.

A major re-investment project to refurbish our main office and communal areas was successfully completed during the period. This has substantially improved the quality of space available and has allowed us to increase our office rental space by approximately 12.5% (1,300sq ft) and reduce some maintenance costs. This included converting old under-used space, including excess toilets, kitchen and training facilities. It has also allowed us to replace ageing electrical, heating and plumbing fixtures and fittings.

We also received support through the 'Go Succeed' programme to redevelop our website. Content has been updated, and it is now on a much more modern platform, making important information more accessible to visitors, improving security and reducing ongoing website management costs.

Regeneration Projects

We continue to execute our plans for Re-Imagining, Re-building & Re-connecting Townsend Street through the development of the important industrial heritage of the site, and the surrounding areas through the continued promotion of the 'Foundry Quarter' brand. Following consultation and presentation to the Heritage Lottery fund and Belfast City council we shall be making application for funding to further the development and research.

In partnership with the Ulster Orchestra and Zeppo Arts we were successful in receiving funding from Belfast City Council under the Belfast 2024 'Year of Culture' initiative for a project known as "Sound Links". This is to be delivered throughout 2024, culminating in a street festival and performance of the premiere of 3 specially commissioned musical works on 21 September - International Day of Peace. The vision for the project is to artistically explore the history of Townsend Street and focus on inspiring people about its future, connecting together residents (past and present), community groups, schools, care homes and other local stakeholders, such as businesses, in the local area. In addition to wider peace and reconciliation and artistic objectives, this project is intended to encourage civic pride and inward investment into the area, leading to a reduction in unemployment and financial hardship and a boost to civic society.

Community Investment & Linkages

We continue to work with the local communities and other stakeholders, through various forums, including the Lower Falls and Shankill Forum and the Unwanted Bonfires Panel, with meetings being held to address diverse issues which affect the wellbeing of the local community, including broader issues such as deprivation, inequality, and anti-social behaviour.

Senior management also provides time, expertise and resources to support other charitable organisations which work in partnership with Townsend Enterprise Park and /or share complementary charitable objectives. Property maintenance and management services are also provided to certain charities, along with subsidised rent and support services where there is a clear alignment of charitable interests.

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Training & Skills Development

As we advance our work, we continue to review the skills and expertise required to aid future work and plans.

The annual Investors in People assessment saw us maintain our Silver certification, demonstrating our continued commitment to a positive working environment in which everyone feels valued and able to contribute to the organisation's success.

The training and skills development of all employees is reviewed during the annual performance review ensuring that they are up to date in all areas essential to our effective operation. During the period staff variously undertook IT training, health and safety at work training (such as manual handling, power washing, handling sharps, using ladders), and heritage project training.

Public Benefit

The Trustees of the charity confirm that through the continued development and delivery of their objectives they have complied with their duty under the Charities Act (Northern Ireland) 2008 to have regard to the Charity Commission for Northern Ireland guidance on public benefit and that this benefit has informed the activities of the charitable company during this year ended 31st March 2024.

Achievements and performance

Financial review

Trading performance continues to be strong over the period, with occupancy levels being maintained at an average of 98%. With the preparation of annual budgets for revenue and capital expenditure day-to-day expenditure is carefully managed as inflationary increases put pressures across all cost centres. Once again, the largest pressure is the extraordinary increase in our property insurance premium due to no fault of the organisation. Our net deficit is attributable to that increase, in addition to the increase in depreciation costs following the major investment in the property.

Reserves Policy

Our reserves policy is to retain a level of capital which allows us to meet our operational costs for a 4-month period in the event of a 50% drop in income together with a sum estimated to cover the redundancy costs for 50% of the staff (including associated professional costs) which would arise from the restructuring of its operations and workforce to reflect a lower operating income base. The specific amount is determined when setting and agreeing the annual financial budget for each new trading year and reviewed quarterly during the year. From time to time, we may retain more capital than is required by this policy to meet future anticipated capital expenditure, perceived risks and/or to take advantage of investment opportunities. The reserves policy is reviewed regularly (at least annually) in line with our business operations and perception of associated risks.

Plans for future periods

We shall continue to maintain high occupancy levels and shall seek sources of alternative funding to deliver initiatives within the immediate locality with stakeholders and partners

Key risks

We continue to assess our risk environment and monitor and mitigate these to the extent reasonably possible.

Key risks include:

Financial: a drop in income more than 15%, or an un-mitigated increase in costs of 15% (or some combination of the two) would result in us running at a net trading deficit.

Health & Safety: the complex make-up of tenant industries and corresponding operational risks makes it difficult to effectively manage and mitigate health and safety risks.

Key-person Risk: with a small management team the impact of any one members of staff being unavailable for a prolonged period is significant.

We continue to manage these risks through regular assessment and preventative and mitigating actions.

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Structure, governance and management

Townsend Enterprise Park Limited is a company limited by guarantee and is governed by a Board of Trustees, who meet monthly. Members are invited by the charity to serve on the Board on the basis of their area of interest and expertise and their willingness to support the ethos, mission and values of the charity. New members are normally elected at the AGM in October but the Board may at any time co-opt people who would hold office until the next AGM. The Board ensures the governance of the charity represents best practice.

No business is transacted at a General Meeting unless a quorum is present. A quorum is three members. Unless determined by the company in General Meeting, the number of trustees shall not be less than three, the charity have sub-committees which meet on an ad-hoc basis; these are Finance, Personnel, Estates, Marketing, Strategy and Business Development.

The charity holds an Annual General Meeting each year in addition to all other general meetings. Decisions are made by passing resolutions.

The appointment of a trustee will in the first instance be dependent on the skills gap identified within the Board. Having identified a gap, the Board will seek to make this known either through public advertisement or by approaching a body representing the skill required e.g. The Law Society. Expression of interest will be received by the submitting of a C.V. and letter outlining what they believe they can bring to the Board and the organisation. If following an interview, the applicant is deemed suitable, a recommendation will be brought to the Board by a proposer and they will then be duly appointed by full agreement of all trustees.

Each employee has an annual performance appraisal conducted, at this time salaries' will be reviewed to ensure that they are line with the role and level of responsibility.

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:

Paul Darragh
Colin Skillen
Rev John Lamb
Heather Murray
John Neill
John Hunter
Father Ciaran O'Callaghan
Linda Graham
Gareth Nethercott

Auditor

The auditor, Moore (N.I.) LLP, is deemed to be reappointed under section 487(2)- of the Companies Act 2006.

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.

Colin Skillen
Dated: 21st Dec 2024

