

Written by 29 August 2023

## **Business News Northern Ireland**

Welcome to our round up of the latest business news for our clients. Please contact us if you want to talk about how these updates affect your business. We are here to support you!

### **The importance of a shareholders agreement**

For limited companies, when it comes to making decisions, Company Law states shareholders who own more than 50% can pass a motion at a company meeting regardless of the views of other shareholders and if a shareholder(s) owns 75% or more of the shares they, control the company outright and can veto the decisions of all other shareholders.



This may not suit all business situations, especially where you have two or more founders holding equal share capital or a group of owners with varying amounts of capital, some of whom are directors and some who are not, but who are all working together for the company's success.

A shareholders' agreement is entered into between all or some of the shareholders in a company. It regulates the relationship between the shareholders, the management of the company, ownership of the shares and the protection of the shareholders. They also govern the way in which the company is run.

The agreement can help define how a business makes decisions to the benefit of all owners and is recommended where:

- A small number of owners want to reach collective and fair decisions for the benefit of all;
- Some owners may want to be able to influence decisions that are particularly relevant to them;
- Some shareholders may not be directors and cannot influence operations on a day-to-day basis;

Typically, it is seeking to deal with the three “D’s” of death, disability and disagreement. It may also cover a variety of other significant areas for example, retirement and buy back of shares.

#### Key areas for any shareholder agreement

This is not a comprehensive list, as each situation is different, but it may help you collect the thoughts of all shareholders before you draw up an agreement.

1. Company details including structure, directors, and officers
2. Purpose and aims of the company
3. Equity split of shareholders
4. Parties to the agreement
5. Shareholders rights, obligations and commitments
6. Decision making processes on major issues, required voting majorities and day to day operating decisions
7. Restrictions on the sale of shares
8. Rights of first refusal and pre-emptive rights to acquire shares on leaving, retirement, death, or disability
9. Death, disability, and other retirement compensation payments
10. Management contracts, director approval, and remuneration amounts
11. Insurance and other protective requirements
12. Professional advisers and change of professional advisers
13. Dispute resolution
14. Changes to and termination of the agreement
15. Buy out provisions for leaving shareholders
16. Valuation of shares on changes and valuations of the business

Our view is that a shareholders agreement is an essential document for any limited company and an equitably drafted agreement should provide comfort to all involved parties.

Please talk to us if you need help in planning for an agreement, especially where there are several shareholders, a new company is being formed, a shareholder wants to sell their shares or pass them to their children, someone is nearing retirement, or the company has borrowed money from a shareholder. We can help with share and company valuations and putting the shareholders wishes into an agreement with a local solicitor.

### **Do you want to grow your business?**

Then ask us for a copy of our guide called “57 Ways to Grow Your Business”! Our publication is packed full of bright Ideas for the Serious Entrepreneur and starts with the four basics of growth. All the ideas in this guide ultimately revolve around four basic insights about growing a business. You can:

1. Increase the number of customers;
2. Increase the number of times each one does business with you;
3. Increase the average value of each transaction; and
4. Increase your own effectiveness and efficiency.

Here are some other business principles that we explore in the guide:

- What you can measure, you can manage;
- Build in unique core differentiators and focus on them constantly;
- it's more important to be different than it is to be better;
- Cutting the price is always an option but there is usually a better way – increasing value;
- Break compromises and lower the barriers to people doing business with you;
- Systemise every aspect of your business;
- Empower your team to make it right for every customer; and
- Create a clear and detailed action plan.

Ask us for a copy – you never know there may be a gem or two in there for you to help you grow faster!

## **Managing drug and alcohol misuse in the workplace**

Employers have a legal duty to protect employees' health, safety, and welfare and understanding the signs of drug and alcohol misuse (or abuse) will help you manage health and safety risk in your workplace.

The HSE website has step-by-step guidance to help you manage drug and alcohol misuse at work.

This includes advice on how to develop a drugs and alcohol policy and what you can do to support your employees.

See: [Managing drug and alcohol misuse at work - Overview - HSE](#)

## **Employers should prepare for a warmer future**

The Health and Safety Executive (HSE) is advising businesses to think how they need to adapt to warmer working conditions for their staff.

After this year's record-breaking temperatures and with more hot weather this month, HSE is asking employers to ensure extreme heat becomes part of their long-term planning.

Adapting to climate change is something all businesses will need to consider as warmer weather becomes more frequent.

Employers have a legal obligation under the Management of Health and Safety at Work Regulations to assess risks to the health and safety of workers. They must review the risk controls they have in place and update them if needed. This includes risks from more frequent extreme weather such as heatwaves.

While there is no maximum temperature for workplaces, all workers are entitled to an environment where risks to their health and safety are properly controlled. Heat is classed as a hazard and comes with legal obligations like any other hazard. The Workplace (Health, Safety and Welfare) Regulations require employers to provide a reasonable temperature in the workplace.

See: [Temperature at work](#)

## **Young people at work**

The Health and Safety Executive have a dedicated webpage for employers reminding them of the need to be extra cautious with the safety of young people.

When you employ young people under the age of 18, you have the same responsibilities for their health, safety and welfare as you do for other workers. This applies whether they are:

- a worker,
- on work experience, or

- an apprentice.

Young people are likely to be new to the workplace and so are at more risk of injury in the first six months of a job, as they may be less aware of risks. They will often be vulnerable, as they may:

- lack experience or maturity;
- not have reached physical maturity and lack strength;
- be eager to impress or please people they work with; or
- be unaware of how to raise concerns.

Young people need clear and sufficient instruction, training, and supervision so they understand the importance of health and safety and can work without putting themselves and other people at risk. They may need more supervision than adults.

Work experience and work-based learning will be the first time most young people experience the work environment.

Good preparation and organisation of placements is essential if these opportunities are to be helpful and safe introductions to work.

If your workplace has health and safety representatives, they can play a valuable role early on by:

- introducing the young person to the workplace;
- helping with their ongoing training; and
- giving employers feedback about particular concerns.

See: [Young people at work - Overview - HSE](#)

## **Latest HMRC Employer tax webinars**

Listed below are a number of live HMRC webinars that will help employers with payroll matters. The webinars are free and last around an hour.

### [Statutory Maternity and Paternity Pay](#)

Thu 21 Sep at 9:45am

### [Expenses and benefits for your employees - if your employees have more than one workplace](#)

Tue 5 Sep at 11:45am

### [Expenses and benefits for your employees - trivial benefits](#)

Wed 6 Sep at 1:45pm

### [Expenses and benefits for your employees - social functions and parties](#)

Thu 7 Sep at 9:45am

[Expenses and benefits for your employees – phones, internet, and homeworking](#)

Mon 11 Sep at 1:45pm

[Expenses and benefits for your employees - travel](#)

Tue 12 Sep at 11:45am

[Expenses and benefits for your employees - company cars, vans, and fuel](#)

Wed 13 Sep at 1:45pm

[Getting payroll information right](#)

Thu 14 Sep at 9:45am

[Statutory Sick Pay](#)

Fri 22 Sep at 11:45am

## **What is Working Capital Finance?**

Working capital finance solutions offer businesses the opportunity to improve cash flow. The world of commercial finance and asset-based lending (ABL) is complex and expansive with products, terminology and contractual interpretation varying from lender-to-lender.

The Benefits of arranging Working Capital are:

- Up to 90% of outstanding invoice value can be advanced within 24 hours;
- Flexible lending - funding increases in line with your growth (UK and Export);
- Confidentiality - lenders can offer a completely confidential service – your customers need not know you have a facility in place;
- Lenders allow you to manage your funding at all times;
- Sector-specific finance is often available;
- Structured ABL - funding for management buy-outs/management buy-ins; and
- Trade Finance & Supply Chain Finance Solutions.

Specialists in this area can advise on:

- **Invoice Finance** - an effective way of quickly accessing a proportion of the value (up to 90%) of your invoices. Effectively, a business 'sells' its invoices to the lender in return for accessing cash at the point products and services are sold. Specific sector-based offerings are available, as is the ability to arrange finance for selected invoices only.
- **Structured ABL** - generate a higher level of funding by unlocking the maximum value tied up in the combined assets within your business, including Debtors, Inventory, Plant & Machinery and Property. Additional forms of funding can be structured in addition to this, such as top up loans in order to drive growth.

- **Trade Finance** - supply chain finance with various options, enabling the purchasing of goods from overseas where you are otherwise unable to obtain credit from suppliers.

Typically, you will need to ensure your management accounts are up to date, you make available current detailed lists of debtors and creditors, and you might need up to date projections before an expert will consider your application.

### The Ideas Marketplace

The Ideas Marketplace is an online collaboration platform offering opportunities for innovative defence and security organisations to network and collaborate with UK government stakeholders, end-users, innovators, industry, and academia. The platform can be used to forge new relationships and foster collaboration between dynamic organisations of all shapes and sizes.

The platform has been designed to enable collaboration with other innovators across the UK and to help organisations gain expertise and specialist support to develop their technologies to make them successful.

See: [Home | Ideas Marketplace \(mod.uk\)](https://mod.uk/ideas-marketplace)

### Arts & Business NI Awards 2023



Applications are currently open to celebrate the work of business and arts partnerships or projects.

The awards celebrate the best examples of arts and business creative partnerships and the outstanding achievements of these collaborations throughout Northern Ireland. Applications close for entries on Monday 4 September 2023.

This year's awards have five categories open for applications, including:

- Creative Community Engagement Award,

- Creative Workplace Award,
- Creative Communications Award,
- Commitment to Diversity Award, and
- Leaders on Arts Boards Award.

Additional special recognition awards, chosen by the judges, will be presented in the following categories:

- A&BNI Arts Organisation of the Year Award,
- A&BNI Business of the Year Award, and
- Forestside Choice Award.

To be eligible, applications must cover business and arts partnerships or projects, which took place between 1 June 2022 and 31 July 2023. Download the application forms and find more information on the [Arts & Business NI Awards 2023](#).

See: [Arts & Business NI Awards 2023 \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk)

### **Skill Up programme: Retrain and upskill your staff**

Skill Up is a Department for Economy programme, with funding from the Northern Ireland Office and the Department of Finance, which provides a range of free short training courses.

There are opportunities for businesses to retrain and upskill their staff by taking advantage of the range of free training courses on offer. The courses will be delivered by the local further and higher education providers in Northern Ireland.

Opportunities are available from entry to postgraduate levels, focusing on skills identified by industry, linked to priority economic sectors, including:

- digital skills,
- green technologies,
- healthcare and life sciences,
- advanced manufacturing, and
- leadership and management.

Most courses will be delivered online and will provide an opportunity to re-skill and upskill in areas where job growth is expected to be high as part of the 10X vision for the Northern Ireland economy.

See: [Skill Up programme: Retrain and upskill your staff | nibusinessinfo.co.uk](https://nibusinessinfo.co.uk)



## **Get a free Export Health Check for your business**

The Invest Northern Ireland Export Health Check Tool is designed to assess your existing exporting capability. By answering a few short questions, you will receive a tailored guide that will give you the tools to develop your own bespoke export strategy.

The tool will help you understand the importance of export and to quickly assess how prepared your business is to undertake export activities, whether you are exporting for the first time, or looking for a new export market.

It has a maximum of 11 questions and will take about 10 minutes to complete. When you have answered the questions, you will be emailed a tailored report that will:

- tell you where you are in your export journey,
- tell you what your next steps should be,
- give you practical tips and templates, and
- signpost you to what support is available.

### [Complete the Export Health Check tool](#)

After completing the Export Health Check you can also request a free consultation with an Invest NI International Trade Advisor who can advise you on exporting programmes and support most suitable for your business.

See: [Get a free Export Health Check for your business \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk)

## **Access to Finance: Growth Finance Fund**

The Growth Finance Fund is a £30million loan fund designed to support established SMEs seeking access to growth finance. It is part of Invest NI's [Access to Finance Strategy](#) and loans are typically between £500,000 and £2million.

Loans will be provided on a flexible basis over a two to seven-year period. In addition, the fund will have the ability to provide capital and/or interest moratoriums and partial bullet repayments to align with the cash flows of the business.

The loans will typically be provided on an unsecured basis, however second ranking charges or appropriate security may be sought where relevant.

Funding is complementary to existing sources of finance, including banks, trade finance, and equity.

### Eligibility criteria

- Applicants must be an SME based in Northern Ireland which can demonstrate growth potential and generally be in the manufacturing, engineering, or tradable services sectors with export potential.

- Companies must be able to demonstrate the ability to service loan repayments from projected cashflows.
- Applicants cannot operate in the excluded sectors, such as coal mining, steel making, and shipbuilding, as defined by the EU Risk Capital guidelines or be a company in an insolvency process.
- Applicants must have an identified funding gap in a proposed investment.
- Informal approaches over the telephone are welcomed to discuss the loan proposal, but in due course, a business plan will be required to progress a loan application.

See: [Whiterock Finance - Growth Finance Fund](#)

### **Invest NI Sustainability Reports**

Invest NI's free Sustainability Reports give businesses an understanding of their environmental performance across a number of areas, such as raw materials, energy, carbon, packaging, biodiversity and waste.

This support will enable your business to measure, monitor and report on your environmental impacts, demonstrating transparency and accountability, which often leads to consumer confidence and brand loyalty.

This support is available to all Northern Ireland businesses with an annual energy and resource spend of more than £30,000. This can include the combined value of your heating, electricity, water, waste disposal, or raw material billings.

See: [Save energy and reduce resource consumption | Invest Northern Ireland \(investni.com\)](#)

### **Supply chain webinar series**

Invest Northern Ireland is hosting a number of webinars to help businesses understand and maximise their supply chains.

Modern supply chains continue to face multiple challenges and disruptions, but effective supply chain management can play a key role in reducing risk and delivering competitiveness.

This webinar series will provide a comprehensive overview of supply chain best practices. Business leaders and supply chain professionals will gain insights into effective supplier negotiations, cost reduction techniques, warehouse management, and more.

Participants will also have the opportunity to have their specific supply chain questions answered at the end of each webinar.

There are several free webinars taking place between September 2023 and January 2024.

Supply Chain: Effective Negotiation Skills

Date: Tuesday 19 September 2023

Time: 10am to 11am

[Register for this webinar](#)

Supply Chain: Cost Reduction Techniques

Date: Tuesday 10 October 2023

Time: 10am to 11am

[Register for this webinar](#)

Supply Chain: Warehouse Management

Date: Tuesday 21 November 2023

Time: 10am to 11am

[Register for this webinar](#)

The Fundamentals of the Supply Chain

Date: Tuesday 23 January 2024

Time: 10am to 11am

[Register for this webinar](#)

See: [Supply chain webinar series \(nibusinessinfo.co.uk\)](http://nibusinessinfo.co.uk)