

pne | group

Innovation in Enterprise and Development

chairman's statement

2007 was a year of celebration for LiveWIRE which is now 25 - the age of many of its clients. It was good to find out that they are as interested in helping social change and having fun as in making money. In the 21st century the internet is increasingly enabling many young people in LiveWIRE programmes in 23 countries to realise their ambitions and start a business.

Our workspace in Ouseburn is fully occupied and winning awards. We shall be doing our bit for climate change with energy and water reduction planned for 2008.

Life is not easy for the third sector at the moment and our Better Skills Better Sector programme helps organisations manage in a difficult operating climate – to become more efficient and effective, cut costs and cope with legislation and bureaucracy. It is one of the few to offer an NVQ in management of volunteers. We are grateful to the Northern Rock Foundation for enabling us to run this programme. We understand why they are unable to do so in future but want to say a big thank you. We are actively looking for ways of continuing and developing the programme so if any of our readers are interested in supporting it please let us know!

PNE's skills are still much needed and in 2008 we shall be looking for new opportunities to help people setting up and running organisations whether in the Voluntary and Community Sector, social enterprise or private sectors.

Thanks to Sandy Ogilvie and all our staff and supporters.



Pamela Denham
Chairman
The PNE Group



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image 1:

Pamela Denham, Chairman, The PNE Group

image 2:

Adnams Managing Director Andy Wood delivered the 2007 PNE Lecture "Human Values in Business: Real of Just Spin?"

image 3:

Dedicated storage, shower and changing facilities for cyclists are now in place at our all our main workspace sites in Newcastle and Gateshead.

The purpose of the PNE Group is to develop sustainable organisations globally through people, performance and place. We regard ourselves as social entrepreneurs doing challenging things throughout the world. Our wide-ranging services include:

- Voluntary Sector Support - consultancy, training, and fundraising
- North East Workspace - 125,000 square feet of incubator workspace developments
- Shell LiveWIRE – UK and International Youth Enterprise Support
- Small business loans and advice
- ICT consultancy and support for small business and voluntary sector organisations

PNE operates under recognised benchmarks. An ISO9001 quality system has been in place since 1992, and Investors in People (IIP) recognition since 1996. Our annual lecture helps set the tone for the enterprise development debate in the region.



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workspace

North East Workspace (NEWS) provides incubator accommodation for 131 small businesses, employing over 600 people across three sites.

Pink Lane, in the centre of Newcastle had another good year with occupancies at record levels. We also saw the results of successful incubation with several businesses moving on to their own accommodation or the commercial sector. Perffiliate Technology Ltd who started with two people in 1997 and moved out in 2006 sold out to AOL in a move which will see their product go worldwide. Hopefully we can keep the success story going.

Woods Pottery in Newcastle's Lower Ouseburn Valley development area has also been fully occupied and won a clean sweep of awards at the Newcastle Lord Mayor's Design Awards winning the:

- Best Refurbishment Award for Woods Pottery
- Best Small Scale Regeneration Award for Steenbergers
- Lord Mayor's Special Regeneration Award

The project is also entered in further awards for 2008.

Design Works in Felling after a difficult start to the year improved every month. The introduction of a cycle centre has been a great success with a dozen users. The surrounding area is being slowly but surely enhanced by a major residential investment programme which should lead to the area becoming more attractive to occupiers.

2008 sees the start of our energy and water reduction programme which we hope in addition to conserving resources will keep our operating costs down in a period of high utility costs.

voluntary sector support

PNE's Voluntary Sector Support team specialises in developing and delivering capacity building programmes to strengthen the Voluntary and Community Sector (VCS). PNE has an impressive track record of designing and delivering innovative training programmes for the sector that are in high demand but short in supply. These enable participants to implement best practice to assist people and organisations to achieve their potential.

During 2007, with the support of the Northern Rock Foundation, the European Social Fund (ESF) and European Regional Development Fund (ERDF), PNE provided training programmes promoting best practice in:

- Preparing Successful Bids for Statutory Grants & Tenders
- Covering Costs
- Leadership & Governance
- Managing Quality
- Managing Money
- Managing People

PNE continued to help improve management skills in the sector through its BCVO programme, and supported participants to achieve an NVQ in Management at level 3 or above, from the Chartered Institute of Management. PNE became the first centre in the region, and one of few nationally, to provide the opportunity for managers to achieve an NVQ in Management of Volunteers at level 3 or above, from the Institute of Leadership and Management (ILM).

During 2007 the Voluntary Sector Team:

- Worked with 478 organisations
- Assisted 552 people with their professional development
- Delivered 53 training courses
- Helped 116 people to achieve an NVQ in Management at level 3 or above

Christine Durnion of BlindVoice UK embarked on PNE's "Preparing Successful Bids" programme to help her win new contracts. Said Christine, "PNE's Preparing Successful Bids training provided me with the essential skills to produce winning bids. In the six months following the course, we have won 16 new contracts throughout the UK."

note: our good practice guide "Winning Bids" is available from PNE priced £7.99.



voluntaryskills.com

voluntaryskills.com promotes skills development and career progression in the Third Sector by offering free information on training opportunities in the North East and Cumbria. The website contains a searchable Training Database, News & Events, Case Studies, Job Profiles, Vacancies and Resources relevant to the sector, and the facility to conduct research.

voluntaryskills.com continued to develop and grow during 2007 with:

- The total number of unique visits increasing from 23,568 in 2006 to 62,245 in 2007 (a 164% increase)
- The introduction of a new monthly voluntaryskills.com e-bulletin. The number of subscribers increased from 526 in January 2007 to 2,124 in December 2007 and the e-bulletins were read a total of 18,412 times in 2007
- Research shows that one in four people who used voluntaryskills.com had booked onto a training course as a direct result (estimated to be around 15,500 people)

Set up in early 2007 with the help of a PNE loan to provide customer care training to taxi drivers, Jennifer Demirel has seen her business Prima Training grow rapidly. Based in Sunderland, strong demand for her courses has resulted in the employment of a full time administrator as well as an additional trainer. She is in the process of expanding into both Gateshead and South Shields.

small business loans & advice

The loan fund exists to help people with some degree of social, financial, or educational disadvantage start their own business. Typically, an applicant would have been unable to have obtained some or all of the necessary funding from a traditional lender, and without the help of the Loan Fund would have been unable to start.

In conjunction with an enterprise agency, each applicant must produce a business plan which should demonstrate the viability of the proposition. Start up loans of up to £5,000 are available, and existing loan fund clients can apply for an expansion loan of up to £15,000 during their first three years of trading. In addition to the loan fund, a limited business advice service is also provided.

- During the last 12 months, 34 loans totaling £140,000 have been awarded
- Of the 34 businesses assisted 14 were run by females, and 60 jobs were created or safeguarded
- Historically, 65% of the businesses continue to trade after 3 years, which is a very worthwhile outcome



LiveWIRE

PNE continues to manage the development of LiveWIRE, one of Shell International's flagship CSR programmes in the UK and internationally.

UK Programme

In 2007 Shell LiveWIRE continued to provide support to young entrepreneurs across the UK. This included a highly successful 25th year celebration awards programme seeing the top young entrepreneurs around the UK battling for the coveted 'Young Entrepreneur of the Year 2007' prize. The winners were a typical example of the 'new entrepreneur' businesses as highlighted in our 25th year research report "The Changing Face of Entrepreneurism" (www.shell-livewire.org/25yearsosurvey). This London School of Economics report found that today's entrepreneurs are more interested in fun than money, want to create dynamic teams and be involved in helping social change. LiveWIRE has seen many of our past finalists go on to greater things and this year in particular has seen a number of entrepreneurs find success on TV shows such as 'Dragons Den'. Key Figures for 2007 were:

- 20000 registrations
- Over 2,000,000 people viewed the website
- LiveWIRE attended nearly 80 events across the UK to support young entrepreneurs



LiveWIRE International

2007 saw the 25th year of Shell investment in LiveWIRE and since 1982 over 5 million young people have been in contact with their local programme. 25 years ago the internet was only a dream but today it is the main contact vehicle of choice for young people to explore starting their own business. The 23 LiveWIRE programmes are delivered through 10 different languages and always in the country programme's home language. The LiveWIRE programmes work in partnership with 62 different private, public and NGO organisations and local programmes have been recognised as examples of best practice by UNIDO and UNESCO.

During 2007 a new programme was launched in Libya and the other 22 countries continued to develop.

image:

The top award went to 'The League of Adventurists' - an organisation providing adventure through a variety of rallies and races around the world - and raising money for charities whilst doing so.

accounts

These are the abbreviated consolidated financial statements of the PNE Group and including Project North East, LiveWIRE Youth Enterprise, North East Workspace Ltd, Design Works (Gateshead) Ltd, Silicon Alley (Newcastle upon Tyne) Ltd, Northern Youth Venture Fund and Newcastle Youth Enterprise Centre (NYEC).

profit & loss accounts for the year ending 31 December	2007 £'000	2006 £'000
pne group		
income	3,400	3,998
total operating costs	(3,413)	(3,812)
operating surplus (deficit)	(13)	186
investment income	113	107
interest payable	(39)	(42)
surplus on sale of investment	-	32
surplus before taxation	61	283
taxation	(18)	(14)
net surplus for year	43	269

Whilst the consolidated accounts are unaudited, each individual company was audited by PricewaterhouseCoopers LLP. Each entity received an unqualified audit report.
Ian Thompson Company Secretary

balance sheets as at 31 December	2007 £'000	2006 £'000
pne group		
fixed assets and investments	6,553	6,636
loans to small businesses	275	432
	6,828	7,068
current assets	2,554	2,439
current liabilities	(1,208)	(1,228)
net current assets	1,346	1,211
total assets less current liabilities	8,174	8,279
long term liabilities	(439)	(502)
net assets	7,735	7,777
capital and reserves		
accumulated reserves	3,587	3,525
capital grant reserve	4,148	4,252
net finance	7,735	7,777

annual report

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Project North East is
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