

COOKSTOWN ENTERPRISE CENTRE LTD

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees, who are Directors for the purposes of company law, present their annual report and financial statements for the year ended 31 August 2023.

Principal activities

The purpose of Cookstown Enterprise Centre Limited is to let industrial units to both new and existing businesses, together with the provision of conference facilities, secretarial services, project management, training, consultancy and other services normally provided by Local Enterprise Agencies.

Cookstown Enterprise Centre Limited obtained charitable status on 18 June 2003 and the charity reference number with the Northern Ireland Charity Commission is NI 100109.

Structure, governance and management

The organisation is a charitable company limited by guarantee. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The appointment of directors is in accordance with the charity's Articles of Association, whereby at every Annual General Meeting one-third of the directors shall retire from office (but are eligible for re-election). The directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment. No person other than a director retiring by rotation shall be appointed or reappointed a director at any general meeting unless he/she is recommended by the directors or not less than fourteen nor more than thirty five clear days before the date appointed for the meeting, notice executed by a member qualified to vote at the meeting has been given to the charitable company of the intention to propose that person for appointment or reappointment.

Financial review

The results for the year are set out on page 8, which the Directors consider to be satisfactory.

The reserves of the Company are held for the advancement of its charitable purpose, other than restricted reserves which are held for a designated purpose.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr T Wilson

Mr D Legge

Mr S Best

Mr McGuckin

Mr P Cassidy

Mr M Foley

Mrs E Kearns

Miss G Evans

(Resigned 19 October 2022)

(Appointed 21 September 2022)

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities

The objects of the charity are specifically restricted to the following:

(1) The advancement of community development, in particular the promotion for the public benefit of urban and rural regeneration in Cookstown and surrounding areas, being an area of social and economic deprivation, by all or any of the following means:

(i) the creation of training and employment opportunities by the provision of workspace, buildings, and/or land for use on favourable terms;

(ii) 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 : (a) in setting up their own business, or (b) to existing businesses;

(iii) the relief of unemployment;

(iv) the advancement of education, training or retraining;

(v) the provision of housing for those who are in conditions of need.

(2) Promoting such other charitable purposes as may from time to time be determined.

It aims to achieve these objectives by providing business start-up and development assistance for businesses setting up or developing in the Cookstown District Council area.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance

During the period to August 2023, the business environment continued to present significant challenges to CEC and its clients. Cookstown Enterprise Centre has again had a satisfactory financial performance during the year. Markedly increased costs of insurance, heat, light, and power as well as maintenance are being experienced resulting in a decrease in the net profit margin.

Income from small business support training and mentoring initiatives have contributed approximately 10% of the total income. Occupancy levels of all CEC owned properties has remained consistently above 95% with rental income and conference room hire revenues making up the remaining 90% of income.

The strong financial performance has again made it possible for the charity to invest time and resources into the delivery of free of charge services to the local community. Competitive rents and flexible tenancy agreements as well as free advice, mentoring, and information form the core of the support package provided to micro and small businesses as well as the community and voluntary sector locally.

Following the interruption to business because of the pandemic, the usage of the conference and meeting facilities in the Enterprise Centre has returned to a high level of activity with face-to-face meetings accepted as the best way to share knowledge and information. As with all core services provided by CEC, these facilities are made available to the business and the community sector either free of charge or at favourable hire rates.

During the year, ongoing investment in the overall property base has enhanced the quality of property on offer thus making it an attractive choice to all sections of the local community. To further strengthen the property base, the organisation has made an application under the 'Community Asset Transfer' process to purchase a former DSS, government owned building in Cookstown. If successful, this facility will be refurbished to provide support services to micro businesses as well as the community and voluntary sectors within the district.

Training support, which continues to be delivered on a 'no profit' basis, has been delivered with the 'Go for It' start-up initiative as well as tailored business development support programmes. These core initiatives are offered free of charge to the beneficiaries with funding coming from Invest NI, Mid Ulster District Council, and other external sources.

The contract to deliver the Go for It Programme funded by Invest NI in collaboration with the eleven Councils across Northern Ireland expires on 30 September 2023. The successor initiative supported by the UK Prosperity Fund is intended to commence in October 2023.

During the last twelve months, EU funding for the development and delivery of bespoke support services to micro and small businesses came to an end. Local entrepreneurs continue to avail of the free of charge CEC monthly business advice and information clinics which are delivered by experienced advisors.

A particular highlight during the most recent trading period was the establishment of 'Flexi Space' which provides hot desking and co-working facilities. Changes in working practices in the 'post pandemic' environment have provided an opportunity to work from home. The purpose-built facility provides flexi desks and private offices for rent on a daily, weekly, or monthly basis. Up to twenty users simultaneously can enjoy hyper fast internet, modern, comfortable furniture, and surroundings as well as complimentary tea and coffee, which are just some of the key features of the new space. Flexi Space was formally opened for business in April 2023 with an event which was attended by sixty guests representing the small business, community & voluntary sectors locally.

ISO 9001:2015 quality accreditation was also successfully retained in June 2023 following an annual surveillance audit. For the first time in three years, the audit was conducted face to face on site. The company also continues to meet its charitable objects with all services provided at favourable rates and financial surpluses reinvested to ensure essential support for micro business and social enterprises locally.

The demand for business property from micro enterprises locally has remained consistently strong and despite the lack of suitable industrial zoned land or buildings locally, CEC continues to research opportunities to expand the current property portfolio. The provision of business accommodation with favourable rents and flexible tenancy arrangements continues to be a core objective of the trustees.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial Review

The directors will conduct annual reviews of the appropriate level of Unrestricted Reserves. The purpose of this Reserve is to provide stability for the charity to ensure that it is able to honour existing contractual obligations, to upgrade existing capital equipment, to cover unforeseen events beyond the company's control and to enable it to continue its operations in the event of a significant fluctuation in expenditure or income.

The directors have taken a decision to establish a Designated Reserve at a level of four months of annual expenditure. This is a reserve designed to meet unexpected financial commitments, and also to build a provision for redundancy for all staff in the unlikely event that the company would cease to carry on its current activities. The directors estimate the provision for four months of annual expenditure to be £100,000.

The present level of Reserves available to the charity is £2,087,420 and this is considered satisfactory.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

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

On behalf of the board



Mr T Wilson

Director

15 November 2023