

COOKSTOWN ENTERPRISE CENTRE LTD

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees, who are Directors for the purposes of company law, present their annual report and financial statements for the year ended 31 August 2024.

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 S Best
Mr McGuckin
Mr P Cassidy
Mr M Foley
Mrs E Kearns
Miss G Evans

(Resigned 17 January 2024)

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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 2024

Achievements and performance

During the period to August 2024, the business environment continued to present significant challenges to CEC and its clients. An employment related HR grievance proved to be extremely difficult, time consuming and resulted in unplanned legal fees.

Because of this matter, the operation of the business suffered considerable disruption, and the business was forced to operate without a staff member for the entire trading year in a busy, labour-intensive part of the company's operation.

Cookstown Enterprise Centre however has again had a satisfactory financial performance during this year. Significant increased costs for insurance, heat, light, and power as well as maintenance have been experienced resulting in a decrease in the net profit margin.

Income from Go for It and Go Succeed business support training and mentoring initiatives again contributed approximately 10% of the total revenue 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 the annual income.

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

The usage of the conference and meeting facilities operated at an extremely elevated level of activity. The gross revenue generated from this service to the business community locally was the highest since the business began trading over thirty years ago. As with all core services provided by CEC, these facilities are provided to users in some instances, free of charge or at very favourable 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. A major capital expenditure project to improve the entire roof area was approved by the trustees and work commenced in August 2024.

To further increase the property base, in April 2024, the organisation has completed the purchase of the former DSS Jobs & Benefits Office in Cookstown. This government owned building was acquired under the Community Asset Transfer process. Architectural plans are at an advanced stage for the repurposing of this facility to provide office accommodation and support services to the micro business as well as the community and voluntary sectors within the district. It is anticipated that this £1m construction project will be completed in mid-2025.

Training support, which continues to be delivered on a 'no profit' basis, through the pre-start Explore Enterprise programme as well as the 'Go for It' and Go Succeed start-up initiatives.

These core initiatives are offered free of charge to the local beneficiaries with funding being provided by the UK Government through Invest NI and the eleven District Councils throughout Northern Ireland.

During the last twelve months local entrepreneurs continue to avail of the free of charge CEC monthly business advice and information clinics which are delivered by experienced advisors.

The establishment of 'Flexi Space' which provides hot desking and co-working facilities and private offices for rent on a daily, weekly, or monthly basis. Users from the business and community and voluntary sectors are provided with Hyper fast internet, modern, comfortable furniture, and surroundings as well as complimentary tea and coffee.

ISO 9001:2015 quality accreditation was also successfully retained in June 2024 following an annual surveillance audit conducted on site by NQA independent assessors. 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 high and the latest property acquisition facilitates CEC in its core objective to provide quality business accommodation with favourable rents and flexible tenancy arrangements.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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 £2,107,230 and this is considered satisfactory.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

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

19 March 2025