

Craigavon Industrial Development Organisation

(a company limited by guarantee)

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Report of the trustees for the year ended 31 March 2023

The Trustees, who are also the directors of the company for the purpose of the Companies Act 2006, present their report with the financial statements of the group and parent company for the year ended 31 March 2023.

The information with respect to the trustees, senior management and advisers set out on page 1 forms part of this report. The financial statements comply with current statutory requirements including the Charities Act (Northern Ireland) 2008 and subsequent amendments, The Charities (Accounts and Reports) Regulations (Northern Ireland) 2015, Companies Act 2006, the charity's Trust Deed, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 (issued in October 2019) applicable in the UK and Republic of Ireland.

Our purpose and activities

Craigavon Industrial Development Organisation ("CIDO") is committed to encouraging and assisting business enterprise for the benefit of the local economy. The mission statement of the company is as follows:

'To encourage innovation, incubate and accelerate local business for the good and growth of the local economy.'

INBIZ (NI) Ltd is currently dormant.

CIDO (Management) Limited leases units within the Enterprise Centre at Carn Industrial Estate, Portadown which are owned by its parent company.

Public benefit statement

As well as having a general charitable purpose, the specific purposes of CIDO are the promotion for the public benefit of urban and rural regeneration within the Borough of Craigavon and its environs (the "area of benefit"), being an area of social and economic deprivation, by all or any of the following means:

- (i) The relief of poverty in such ways as may be thought fit;
- (ii) The relief of unemployment in such ways as may be thought fit, including assistance to find employment;
- (iii) The advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience;
- (iv) 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: (i) in setting up their own business, or (ii) to existing businesses;
- (v) To improve employment by the provision of workspace, buildings and/or land for use on favourable terms;
- (vi) The protection or conservation of the environment.

The public benefits that flow from the purpose of urban and rural regeneration are:

- (i) The creation of employment, training and work experience opportunities for residents living in economically and socially deprived areas and consequently a reduction in poverty, unemployment and hardship, leading to a better quality of life for the beneficiaries and consequent improvements in health and well-being;
- (ii) Enhanced knowledge about setting up and running small businesses resulting in increased levels of self-employment and better prospects of sustainable development;
- (iii) Increased levels of knowledge and transferable vocational skills among employees / work experience trainees, assisting in the creation of a more educated, skilled and qualified community;
- (iv) A greater sense among the beneficiaries of more fulfilled and purposeful lives, resulting in a safer, more stable and cohesive community;
- (v) Increased potential for innovation and progress, creating a more dynamic and prosperous society;
- (vi) Enhanced awareness and adoption of techniques, processes and practices that reduce fossil fuel consumption, promote energy efficiency and reduce consumption of non-recyclable materials, leading to reduced harm to the environment and healthier and more pleasurable surroundings.

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These benefits can be evidenced in records kept by various agencies of the number of jobs and work experience opportunities created and the numbers of those who have successfully completed training courses. Evidence can also be found in independent evaluations of the activities of enterprise agencies carried out by funding bodies community surveys of living standards and attitudes and in environmental research findings.

Some private benefit is obtained by the owners of small businesses who rent units on favourable terms, but this is ancillary to the main purpose and is greatly outweighed by the gains in public benefit.

No harm arises from these purposes.

Our vision is that major social change in Northern Ireland is greatly assisted through investing in and developing a growing private sector economy. When CIDO was formed many years ago, it was in the face of unprecedented economic and political difficulty, and while politically the challenges are different today for our region, economically the challenges ahead are equally significant.

We do not fund our not for profit activities through donations, rather we seek to generate funds from our commercial operations and deploy those funds for our charitable purposes.

All CIDO's trustees are voluntary and receive no fees.

Achievements and performance including financial review

The company is limited by guarantee and governed by its Trust Deed and Memorandum and Articles of Association. It is recognised as a charity by HM Revenue & Customs. The company was granted charitable status with effect from 28 April 2005. The company successfully completed registration with Charity Commission Northern Ireland on 19 November 2015. The company has two wholly owned non-charitable subsidiaries, INBIZ (NI) Ltd and CIDO (Management) Limited, collectively referred to hereafter in this report as CIDO.

The report and consolidated financial statements for the year ended 31 March 2023 relate to the total activities of the above legal entities.

Results and performance

The net incoming resource for the group for the year is £95,994 (2022: £137,823) and total reserves at 31 March 2023 were £3,387,482 (2022: £3,291,488). Restricted reserves total £1,573,244 (2002: £1,587,255). The trustees consider the results of the charitable company for the year and the financial position of the charity at the year end to be satisfactory.

INBIZ (NI) Ltd

The charitable company's wholly-owned trading subsidiary carries out non-charitable trading activities for the charity. Inbiz (NI) Ltd has not carried out any non-charitable trading activities since 2017 and has been dormant throughout the previous 6 financial years.

CIDO (Management) Limited

The charitable company's wholly-owned trading subsidiary carries out non-charitable trading activities for the charity. It is the practice of the company to transfer all its profits to the charity. During the year the company made gift aid payments of £101,960 (2022: £88,474) to the charity.

The main activities of the company and group are unchanged from last year, and are principally the promotion of industrial development in the Craigavon area through the provision of advice and assistance to firms and persons including the provision of business training and business assistance for the long term unemployed and the letting of units at the Enterprise Centres in Craigavon and Lurgan. CIDO has also engaged in the delivery of a number of business development programmes and initiatives in Northern Ireland. Units in Centre I are let by the company's subsidiary, CIDO (Management) Limited, while units in Centre II, Centre III and the i2 CIDO Innovation Centre are let directly by the company. CIDO provides, on a client basis, free advice and consulting and assistance to those who are unemployed and wish to consider the self-employment option, as well as entrepreneurs needing to grow their business.

Report of the trustees for the year ended 31 March 2023 (continued)

The business operations carried out by CIDO clients at the Centres are varied and are broken down as follows:

Sector	No. of Businesses			Employee Numbers		
	2022/2023	2021/2022	2020/2021	2022/2023	2021/2022	2020/2021
Manufacturing	10	7	9	18	13	24
Service	55	54	53	350	342	352
IT	5	7	7	19	34	42
Retail	9	9	10	21	22	25
Wholesale	4	4	3	5	5	3
Food	7	6	6	130	108	125
TOTAL	90	87	88	543	524	571

The trustees can report that property activities have performed reasonably well over the last year and have maintained occupancy levels, with average occupancy at 99.05% (2022: 99%) in Centres I - III. The i2 CIDO Innovation Centre had an occupancy level of 100% for 2023 (2022: 100%) and the new i2 Pods had an occupancy level of 29.17% over 4 months. It is important to note that a considerable portion of the Innovation Centre continues to be leased to a single tenant.

Business environment

The local commercial property market remains highly competitive. Attention to detail has been given to both the pricing and the presentation of Centres I, II, III & i2 CIDO Innovation Centre. This has resulted in maintained occupancy levels across all sites and the trustees hope to sustain this positive position, despite the Covid pandemic, the Northern Ireland Protocol generating issues with supply chains and the increasing cost of doing business.

The contracts for the delivery of programmes have recently been retendered and it is expected that CIDO's involvement will change. The trustees and management team are actively seeking alternative revenue streams including alternative programmes.

Key performance indicators

		Y/E March 2023 (Actual)	Y/E March 2022 (Actual)	Y/E March 2021 (Actual)
Property occupancy levels:	Centre I	100%	99%	96%
	Centre II	99%	99%	100%
	Centre III	99%	98%	100%
	Innovation Centre	100%	100%	100%
	Pods	29%	N/A	N/A

Unfunded Business Support

During the year CIDO undertook a range of activities funded from its own resources, as follows;

In 2022/2023 CIDO continued to deliver a series of seminars and events to small businesses in the Craigavon and wider area. Business owners are consulted to ensure the seminars delivered are topical and add value. The total attendees to seminars and events in 2022/23 were 128 (2021/2022: 62 attendees, 2020/2021: 58 attendees).