

Registered number: NI017745
HMRC Charity number: XR84334
CCNI: NIC102848

Craigavon Industrial Development Organisation

(a company limited by guarantee)

Annual Report

for the year ended 31 March 2024



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(a company limited by guarantee)

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Reference and administrative details of the charity

Trustees, directors and members

Mr J E Moore (Chairman)
Mr J Blane (Vice Chairman)
Mr M Bell
Mr L Foye (resigned 23 June 2023)
Mr J P Hagan LLB
Mr A Hatch
Mrs A Mawhinney
Mr K O'Connor (resigned 27 May 2023)

Mrs E McClurg OBE
Dr C Neville
Mr G Anderson
Mr J Anderson

Senior management

Cara Dallat (Chief Executive Officer)
Concepta Heagney (Client Support Manager)
Kirsty Watson (Project Manager)
Siobhan Murray (Finance Manager)

Registered and principal office

I² CIDO Innovation Centre
73 Charlestown Road
Portadown
Co Armagh
BT63 5PP

Charity number

NI017745
XR84334
NIC102848

Bankers

Ulster Bank Limited
20 High Street
Portadown
Co Armagh
BT62 1YB

Solicitors

Thompson Mitchell
12-14 Mandeville Street
Portadown
Co Armagh
BT62 3NZ

Independent auditors

Wylie Ruddell
Chartered Accountants & Statutory Auditors
Unit 63
Armagh Business Centre
2 Loughgall Road
Armagh
BT61 7NH

Report of the trustees for the year ended 31 March 2024

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 2024.

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 was dormant throughout the year ended 31 March 2024 and was dissolved on 2 April 2024.

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.

Report of the trustees for the year ended 31 March 2024 (continued)

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 2024 relate to the total activities of the above legal entities.

Results and performance

The net incoming resource for the group for the year is £101,624 (2023: £95,994) and total reserves at 31 March 2024 were £3,489,106 (2023: £3,387,482). Restricted reserves total £1,558,996 (2023: £1,573,244). 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 7 financial years. Inbiz (NI) Ltd was dissolved on 2 April 2024.

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 £101,277 (2023: £101,960) 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.

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Report of the trustees for the year ended 31 March 2024 (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 | | |
|---------------|-------------------|-----------|-----------|------------------|-----------|-----------|
| | 2023/2024 | 2022/2023 | 2021/2022 | 2023/2024 | 2022/2023 | 2021/2022 |
| Manufacturing | 10 | 10 | 7 | 19 | 18 | 13 |
| Service | 53 | 55 | 54 | 348 | 350 | 342 |
| IT | 5 | 5 | 7 | 16 | 19 | 34 |
| Retail | 12 | 9 | 9 | 25 | 21 | 22 |
| Wholesale | 2 | 4 | 4 | 2 | 5 | 5 |
| Food | 8 | 7 | 6 | 134 | 130 | 108 |
| TOTAL | 90 | 90 | 87 | 544 | 543 | 524 |

The trustees can report that property activities have performed reasonably well over the last year and have maintained occupancy levels, with average occupancy at 97% (2023: 99.05%) in Centres I - III. The i2 CIDO Innovation Centre had an occupancy level of 99.74% for 2024 (2023: 100%) and the i2 Pods had an occupancy level of 36.11% (2023: 29.17% over 4 months).

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 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 2024 (Actual) | Y/E March 2023 (Actual) | Y/E March 2022 (Actual) |
|----------------------------|-------------------|----------------------------|----------------------------|----------------------------|
| Property occupancy levels: | Centre I | 97.92% | 100% | 99% |
| | Centre II | 96.32% | 99% | 99% |
| | Centre III | 97.08% | 99% | 98% |
| | Innovation Centre | 99.74% | 100% | 100% |
| | Pods | 36.11% | 29% | N/A |

Unfunded Business Support

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

In 2023/2024 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 2023/24 were 210 (2022/2023: 128 attendees, 2021/2022: 62 attendees).

Report of the trustees for the year ended 31 March 2024 (continued)

The seminars and events delivered in 2023/24 were as follows:

| Month | Workshops / Events | Attendees |
|--|---|-------------------|
| October 2023 | Sales and Strategy | 29 |
| November 2023 | Selling online Masterclass | 42 |
| January 2024 | Inspirational Workshop with Belinda O'Neill | 25 |
| January 2024 | Bookkeeping Clinics | 4 |
| March 2024 | Digital Marketing for Business | 40 |
| August 2023 September 2023 October 2023 November 2023 December 2023 February 2024 March 2024 | CoderDojo Craigavon – Coding workshops for young people | 10 – 15 per month |

Externally funded business support

During the year the achievements of our Programme activities, delivered in conjunction with external funders, were as follows:

| Programme | Activity/outputs | 2024 results | 2023 results | 2022 results |
|--|---|--------------|--------------|--------------|
| Go for It Programme (GFI) | New businesses created | 57 | 124 | 142 |
| | Training sessions delivered | 0 | 0 | 1 |
| | Mentoring delivered (hours) | 342 | 868 | 902 |
| Exploring Enterprise | New businesses created | N/A | 4 | 9 |
| | Training sessions delivered | N/A | 12 | 12 |
| | Mentoring delivered (hours) | N/A | 318 | 318 |
| | Found Work | N/A | 7 | 3 |
| | Referred to GFI | N/A | 6 | 5 |
| ENI Loan Fund | New businesses drawn down loan | 0 | 9 | 5 |
| | Mentoring delivered (hours) | 0 | 45 | 25 |
| Pathways – Go For It grants | Grants of £1,500 issued to individuals completing the Go For It Programme | 0 | 19 | 14 |
| Go Succeed | Mentoring delivered (hours) | 238 | N/A | N/A |
| Northern Ireland Explore Enterprise Support Scheme | New business created | 1 | N/A | N/A |
| | Mentoring session | 140 | N/A | N/A |
| | Found work | 2 | N/A | N/A |

Environment

CIDO takes seriously its responsibilities in relation to the environment. The trustees continue to pursue eco-friendly initiatives as they take the company forward. The i2 CIDO Innovation Centre is heated by air to water heat pumps and recycling of paper has been instigated. In February 2014 80 solar panels were installed at the i2 CIDO Innovation Centre, which generated 2.123kWh (2023: 4.233kWh) during the year ended 31 March 2024. Due to fault and a period of inactivity during the year due to repair of solar panels, there has been no saving in the current year (2023: Saving £4,429).

Report of the trustees for the year ended 31 March 2024 (continued)

Principal risks and uncertainties

Our performance is affected by general economic conditions and Government policies in relation to the funding of local economic programmes. The current review of economic policy and its delivery in relation to the future role for Local Economic Development Agencies such as CIDO is not clear. CIDO and its trustees are constantly reviewing the group's strategic position and options in relation to the future sustainability of our group.

CIDO produce critical financial management reports on a regular basis, which highlight the key areas that need to be monitored to minimise risk.

These reports include:

- Property credit control – minimising bad debt; and
- Programme – monitoring programme drawdown and claims affecting cash flow and bank charges.
- Plans for development

The group has assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the company and are satisfied that systems are in place to mitigate any exposure to the major risks.

Plans for future periods

Through enhanced brand awareness and marketing activity, CIDO will improve the promotion of its services, demonstrating why it is the best organisation for small and micro businesses to access help, support, and business premises in the Craigavon area. We will continually enhance our full suite of services and improve our infrastructure to help grow existing businesses and attract new ones to our sites.

The trustees are committed to driving the company forward by applying the surplus received on property activities against the charitable objectives embodied within the economic development programmes delivered by the company.

In relation to business development programmes, demand for the new Go Succeed (national business start service) has exceeded all expectations since its inception in October 2023. This service is in place until March 2025, providing one to one mentoring support, access to workshops, peer to peer networking and grant finance to new entrepreneurs and established businesses in Northern Ireland. It is anticipated that this contract will be extended beyond March 2025 should targets be met.

CIDO's business support services will be focused and co-ordinated with other offerings in the region to provide an unparalleled suite of provision to new and existing businesses including; business information, advice, networking, signposting, mentoring, and group training.

The current CIDO Strategy highlights the top three major threats to the business:

- Lack of demand for office space as more business owners opt to work from home
- Economic decline/recession
- Lack of grant funding for infrastructure projects

Therefore, it is vitally important that CIDO continually aims to mitigate as many of these risks as possible in order to sustain the organisation and continue to provide an excellent service. It is also important that CIDO continues to re-invest any surplus in both programme delivery, maintenance of each site and development of additional workspace to meet demand. Business advice and support delivered outside of funded programmes has increased dramatically during the past 12 months and this activity has been recorded against CIDO's charitable status.

CIDO is still awaiting planning permission for five new light-industrial units totalling 6,000 sq. ft. adjacent to the existing Innovation Centre. These plans were submitted to the planning department last year, and should they be approved, building will commence as soon as partial funding for the Project can be identified to make it financially viable for CIDO.

In addition, the six office pods which were developed in 2023 are now fully let.

Report of the trustees for the year ended 31 March 2024 (continued)

Planning permission was granted for 10 storage containers to be located in the overflow car park between Centres 1 & 2. When completed this facility can be utilised by existing CIDO tenants for the storage of excess equipment, stock and materials so that the sites can remain safe, clean, tidy and free of hazards. However works will not begin on the storage containers until there is sufficient demand.

CIDO will continue to fully maintain each site, adhere to all health and safety legislation, improve customer service and develop plans to promote the services more effectively.

Structure, Governance and Management

Trustees

As set out in the Articles of Association the number of voluntary trustees shall not exceed 20. The trustees may appoint any person as an addition to the existing trustees, but the number at any time shall not exceed 20. A retiring trustee shall be eligible for re-appointment.

One third of the elected members retire each year, with those longest serving retiring first. All members are circulated prior to the AGM advising them of the members retiring, informing them of the responsibilities of a member and inviting them to make nominations on the appropriate form.

The trustees are not remunerated.

Organisation

The board met five times this year covering the operations of the charity and group and matters of corporate strategy.

| Board member | Board meetings attended |
|--------------------------------------|--------------------------------|
| Mr J E Moore (Chairman) | 3/5 |
| Mr J Blane (Vice Chairman) | 4/5 |
| Dr C Neville | 5/5 |
| Mr M Bell | 5/5 |
| Mr L Foye (resigned 23 June 2023) | 0/3 |
| Mr J P Hagan LLB | 2/5 |
| Mr A Hatch | 4/5 |
| Mrs A Mawhinney | 4/5 |
| Mrs E McClurg OBE | 3/5 |
| Mr K O'Connor (resigned 27 May 2023) | 0/3 |
| Mr T Anderson | 3/5 |
| Mr G Anderson | 2/5 |

Human resources

During the past 12 months, CIDO has invested heavily in staff training which will increase the team's knowledge, confidence, and adaptability within the organisation. Also, following the Covid 19 pandemic, staff wellbeing and mental health has become a focus within CIDO, therefore monthly wellbeing sessions are available which have already improved morale within the team and reduced absences relating to stress and sickness. CIDO this year has successfully retained its Investors in People accreditation and will continue throughout the next 12 months to work towards retention of this accreditation.