

Fermanagh Enterprise Ltd

Annual Report

Year Ended 31 March 2019

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1.0 INTRODUCTION

This is a summary of Fermanagh Enterprise Limited, Annual Report for the year ending March 2018.

This Report was adopted by the Board at a meeting of Directors on 7 May 2019.

This summary Report is laid out according to the distinct areas of operation and programme delivery which has occurred during the year

2.0 WORKSPACE

2.1 Buttermarket Occupancy

- Occupancy 97% (2018 98%)
- 21 Firms
- 33 Jobs

Table 1 - Summary of Current Occupancy Details

Table 1 - BUTTERMARKE T OCCUPANCY – MARCH 2019

Unit No	Unit Holder	Start Date New Unit Holder (in this year)
1	Ann McNulty Pottery	
2	Raku & Canvas	
3	Fresh Focus Killadeas Day Care	
4	Marjorie Leonard Art Gallery	
5		
6	Rebecca's Coffee Shop Store	
7	Ken Ramsey Picture Framing	
8	Enniskillen BID Ltd	
9	Stitch-in-Time	
10	Material Things	
11	Angelic Crystal Realm	
12	EweMomma	
13	The Natural Beauty Pot	
14	Jo Tinney Art Studio	
15	Ken McBride Photography	
16	Angela Kelly Jewellery	
17	Frances Morris Art Studio & Gallery	
18	Holistic Energies	
19	Tranquillity 1-2-1 Holistic Therapies	
20	Lunny Imaging	
21	Marius Blake Associates	
Coffee Shop	Rebecca's Coffee Shop	
Craft Shop	Town House Country House	December 2018

Details of Unit Holders who ceased trading and had temporary use during the period are: -

2 *ceased trading*: Collage Collective & Lorna Smyth Embroidery Artist; 1 *temporary use*: Craft Shop - Enniskillen BID Ltd from July – November 2018.

2.2 Enniskillen Business Centre Occupancy

Over the year, average occupancy was 98% (2018 99%)

Table 2 - Summary of Current Occupancy Details

Table 2 - ENNISKILLEN BUSINESS CENTRE OCCUPANCY – MARCH 2019

Unit No	Unit Holder	Licence	Start Date New Tenants (in this year)
1	Bim Recruiter	✓	
2	Plant Machinery and Commercial Advertising	✓	
3	The Theory Test Tutor	✓	June 2018
4/5/6	ICBAN	✓	
7	Theresa Monaghan Psychotherapy	✓	
8/9/10/11	Corrigan and Co Limited	✓	
12	Fitness Matters	✓	
13	Focus Recovery	✓	
14/15/16/17	Western Health and Social Care Trust	Lease	
18/19	The Pilates Studio	✓	
20	Enterprise Catering	✓	
21	Polliwogs Paint Pots	✓	
22	Tops Barber Shop	✓	
23	Wish Upon a Party	✓	October 2018
24	Erne Tutor Services	✓	
25	McNutt Plumbing & Heating	✓	
26/27	Lakeland Electrical Services (NI) Ltd	✓	
28/29/30	Fermanagh Flooring	✓	
31	HSC Authority/Trust Condition Management Programme	Lease	
32	proPARAMEDICS	✓	
33	Fermanagh GAA	✓	
34	Fabric Fashion	✓	
35/36	SMC Services	✓	
37/39	Tempo Turning	✓	
38	Ai Services (NI) Ltd	✓	
40	Ciara Jones Photography	✓	
41/42/43/44	Fermanagh Community Transport	✓	
45	Digi Repairs (UK & Ireland) Ltd	✓	
46			
47	Western Health and Social Care Trust	Lease	
48a	Hermes	✓	April 2018
48b	Maritime and Coastguard Agency	Lease	
49	Annan Interiors Ltd	✓	
50	Pat Nolan Woodwork	✓	
51	R H Financial Matters	✓	
52	Powder and Pout Beauty Salon	✓	
53	Discreet Beauty Solutions	✓	
54	Brabantia Ireland Limited	✓	June 2018
55	Blue Noise Design	✓	
56	Adult ADHD NI	✓	
57	Brian Coalter Transport Ltd	✓	October 2018
58	Judy Buckley Reflexology	✓	
59	JH Counselling	✓	
60	First Choice Selection Services Ltd	✓	
61	Contessa Ltd	✓	
62/63	Care Plus	✓	

Details of Unit Holders who relocated, down-sized, ceased trading, temporary storage and changed ownership during the period are: -

1 *relocated* - Dylan Quinn Dance Theatre; 2 *down-sized* - Digi Repairs (UK & Ireland) Ltd & Smart Pain Resolution; 1 *ceased trading* - Paul Cooke Auctions; 1 *temporary storage* - Fermanagh and Omagh District Council; 1 *changed ownership* - McCrystal Delivery Ltd.

2.3 Killyhevlin Business Centre Occupancy

Over the year, average occupancy was 99% (2018 97%).

Table 3 - Summary of Current Occupancy Details

Table 3 - KILLYHEVLIN BUSINESS CENTRE OCCUPANCY – MARCH 2019

Unit No	Unit Holder	Start Date New Tenants (in this year)
1	Liberty HR	
2	Marks Mechanical Services	
3	Castle Foods Services Ltd	June 2018
4	Donal Corrigan Construction	
5	Airidas Tattoo	
6	O H Project Management Services Ltd	
7	Mind Yoga & Rehab Studio	
8/9	Café JD	December 2018
10	Red Cross	
11	Fermanagh Neuromuscular Therapy & Sports Injury Clinic	
12	Grainne Moane Hair & Makeup	
13/17	Fermanagh Enterprise Ltd – Reception/Stores	
14	Happythreads	February 2019
15	Café JD Storage	
16	Blush Beauty	November 2018
18	MCM Insurance Brokers Ltd	
19	Erne Counselling Services	
20	SugarProjects	
21	Anaeko	
22	G.J Gartland Chartered Accountants	
23/24	Roofscape Limited/Pimsmart	
25	Martin Insurance Ltd	
26	Highgate Corporate Ltd	August 2018
27	PFPWEALTH	
28	Fermanagh GAA	
29/30	Enniskillen Auctions	
31	Siemens Wind Power Ltd	
32	Tony's Kitchen	
33	Castle Foods Services Ltd	
34	Speedy Cabs	

Details of 3 Unit Holders who expanded, relocated and sold their business during the period are: - *1 expanded* - Café JD; *1 relocated* - Time for You; *1 sold their business* - HenorStag.com.

2.4 Provision of Incubation Workspace

The Agency seeks to maintain a balance between the Provision of Workspace for New Businesses and the Fiduciary responsibilities of the Board to ensure a sustainable and viable business which has the on-going capacity and capability to provide a continuum of support for its clients and the public in general. As such, the following Performance Indicator is measured annually.

2.5 Tenant Churn

This Performance Indicator records the number of New Tenants as a percentage of the Total Tenants for the year.

Tenant Churn – 14% (2018 16%)

3.0 PROGRAMMES

3.1 Northern Ireland Business Start-Up Programme

128 business plans have been delivered in Fermanagh under the Northern Ireland Business Start-Up Programme in the period from 1 April 2018 – 31 March 2019.

Fermanagh Enterprise Ltd, Omagh Enterprise Company Ltd and Enterprise Northern Ireland work together to deliver NIBSUP in the Fermanagh Omagh District Council region with Fermanagh Enterprise Ltd being the delivery agent in Fermanagh. This Programme will run until March 2021 and provides Start-up Support through a range of Mentoring, Workshops and Business Plans similar to previous Programmes.

Contracted targets for the Council area under the Programme were 222. However, during the year the Council requested an increase in these figures to a 'stretch' target of 274 to help to contribute to the Councils job creation targets.

Fermanagh Enterprise Ltd worked closely during the year with Enterprise Northern Ireland, Omagh Enterprise Company Ltd and Fermanagh Omagh District Council and we are pleased to report the successful achievement of the 'stretch' target of 274. This Programme and the individuals supported make a major contribution to the job creation targets in the region.

A letter acknowledging the achievement of the increased target has been received from the Council.

3.2 Kick Start

Kick Start is a Fermanagh and Omagh District Council Funded Support Programme which has been designed to provide growth support for businesses which are in the first three years of existence and are not eligible for support from Invest Northern Ireland or other sources. Support is in the form of one-to-one mentoring up to a maximum of three days per business as well as free workshops dealing with a range of Business Development issues. The Programme has a strong focus on job creation.

Once again, Fermanagh Enterprise Ltd works in conjunction with Enterprise Northern Ireland and Omagh Enterprise Company Ltd to deliver Kick Start in the region with Fermanagh Enterprise Ltd being the delivery body in Fermanagh.

The outcomes for the Programme to date were: - 53 baseline assessments completed; 49 of which have been approved for mentoring support. 112 days mentoring approved of which 69 were completed.

3.3 Exploring Enterprise 3

EE3P is funded by ESF, DEL and ENI and is intended to assist people who want to return or enter the labour market.

The Programme which is free to participants provides access to a qualified business mentor and workshops in Confidence Building, Generating a Business Idea and Exploring the World of Enterprise.

There are three mandatory CCEA modules: -

- Understand Enterprise and Enterprising Skills;
- Understand the Personal Qualities and Abilities for Business; and
- Understand the Opportunities and Risks in Running a Business.

On successful completion of the Programme, the participant is awarded a Level I QCF qualification in Understanding Business Enterprise.

During the year, an Exploring Enterprise Programme had 14 participants recruited and 10 completed training. So far, 4 of those have gained their qualification with a further 6 awaiting assessment.

3.4 Co-Innovate

The Co-Innovate Programme is a Cross Border Research and Innovation (R&I) initiative funded under the European INTERREG VA Programme.

The Programme aims to increase the proportion of SME's engaged in cross-border research and innovation in the INTERREG eligible region of Northern Ireland, Border Region of Ireland and Western Scotland.

InterTradeIreland is the lead partner for the project and we have a role, via Enterprise NI, in recruitment and workshop provision and an initial Business Review. Businesses will receive 10 days mentoring from a specialist mentor.

The Programme will run until 2022.

During the period, 12 businesses were assisted under the Programme.

One Workshop on Innovation was held on 25 October 2018 at which there were 12 attendees.

4.0 CONSULTANCY

4.1 ENI Small Business Loan

During the year, 5 clients have been successful in gaining Loan Support through the ENI Small Business Loan. These clients are eligible for 15 hours Mentoring during their first year.

Businesses assisted were: -	Bakery	£2,000
	Dental Practice	£25,000
	Industrial Chemical Cleaning	£10,000
	Tree Surgeon	£9,000
	Special Occasion Cakes	£5,000

5.0 CHARITABLE STATUS

As documented in our Business Plan and in keeping with our status as a Charitable Organisation, the expertise and experience of the staff have been provided free of charge to a range of individuals, community groups, schools and stakeholder organisations. This has been recorded and can be broken down as shown in [table 4](#).

Table 4 - STAFF HOURS FOR FREE PUBLIC BENEFIT SINCE 1 APRIL 2018

April 2018 – March 2019	Duration
Business Advice and Support	325.5 Hours
Local Development	271.5 Hours
Schools and Colleges	110.5 Hours
Equipment and Room Usage	674 Hours
TOTAL	1381.5 Hours
Enquiries – by telephone	2,072
Enquiries – in person	867

An analysis of Enquiries is shown in **table 5**.

Table 5 – TYPES OF ENQUIRIES SINCE 1 APRIL 2018

April 2017 – March 2018	Percentage
General Business	47%
Programme Support	44%
Workspace	5%
Miscellaneous	4%
E-mail	Not quantified
Social Media	Not quantified

6.0 ENTERPRISE AWARENESS

6.1 Company Profile

Maintaining adequate profile throughout the County and beyond to ensure maximum awareness among clients and others was a key corporate strategic objective during the year.

Contributions to the local press may be summarised as follows:-

- a) 12 press releases, 6 photographs and 17 advertisements.
- b) The Organisation was also associated and mentioned in at least 101 local press items during the year.
- c) A social networking presence was maintained with activity on Facebook - 452; Twitter - 333; and Website Blogs - 128.

6.2 Partnership Working

The Agency maintained a strategic involvement with all relevant local enterprise and economic development bodies. Staff were proactively involved in a range of operational projects/programmes and served on a range of committees and worked in partnership with a range of organisations which included: -

- Enterprise Northern Ireland
- Enniskillen Neighbourhood Renewal Partnership
- Fermanagh and Omagh District Council
- Rural Development Programme
- Schools
- Banks
- Invest Northern Ireland
- InterTradeIreland
- Princes Trust
- Fermanagh and Omagh Community Planning
- ICBAN
- Northern Ireland Enterprise Agencies
- Enterprise West
- Cross Border Enterprise Boards

7.0 PROPERTY

7.1 Killyhevlin Business Centre

7.1.1 Redevelopment of Shower Block

During the year, the regeneration of the previously derelict NI Water Headquarters into the thriving Killyhevlin Business Centre was completed.

The final piece of workspace, the 'shower block' was refurbished and is now the location for a new growing food business - Café JD.

This completes the site which is now 100% occupied and home to 27 businesses and providing 60 jobs.

7.2 The Buttermarket

7.2.1 The Buttermarket Lease

The Lease is a work in progress. Meetings have been held with Fermanagh Omagh District Council and a final proposal from the Council is expected soon.

7.2.2 Capital Works

Funding from the Department of Communities has enabled some capital works to the Centre, to include toilets, woodwork, painting and lighting.

This work is currently underway.

7.3 Abbey House

Following on from the regeneration of the vacant NI Water property into what is now a thriving Business Centre, the Board identified another opportunity to address the combined challenge to the local economy of vacant buildings and job losses as the public sector move out of Enniskillen.

Abbey House, the former office of HMRC, was placed on the market and in line with the strategic plans of the Organisation and following a full options appraisal, the property was purchased in June 2018.

In keeping with the Local Economic Development aims of the Organisation, the vision of the Board is to provide a catalyst for promotion of 'New Economy' opportunities in Enniskillen.

This is a project which does not compete with private sector landlords but instead offers something entirely new to retain and attract individuals and businesses operating in the high value 'Information Age' sector.

The plan is to provide an innovative, flexible solution to accommodate the trend for co-working combined with the provision of more private offices.

The building will be finished to an appropriate level of quality serviced by high speed fibre broadband. It is felt that this project will facilitate the trend for more remote working and in the longer term, attract high earning individuals who can avail of the services and connectivity and work in Enniskillen for employers anywhere in the world.

In keeping with a vision for a quality, converted working environment, plans for significant refurbishment were agreed and a contractor was appointed on 25 January 2019.

The project, typical of an old building, has unearthed some extra work as the construction progresses, increasing associated costs and extending the time frame.

Completion is estimated early June 2019.

8.0 AUDIT AND RISK COMMITTEE

The Audit and Risk Committee met on Friday, 12 October 2018. The Committee Chair reported a full attendance at the Sub-Committee Meeting and that a similar approach was taken to that previously agreed by the Board. This involved identifying main areas of risk to the Organisation and ranking these risks according to likelihood of occurrence and the seriousness of that occurrence. A combination of likelihood with seriousness gave a quantitative grading of the risk and that grade was visually reflected with a colour code. Five colours/grades were used from the highest, unacceptable risk to the least, insignificant risk. The Committee noted extra areas of risk, namely that presented by the on-going Brexit uncertainty and also the major investment associated with Abbey House project. The Committee also identified the risk associated with leadership succession in key staff areas and directed that a Succession Plan be developed and that Succession be included as an AGM Agenda item in future. It was agreed that all areas of risk were receiving acceptable management attention on a day to day basis and were categorised as Medium or Lower. The Committee did not identify any risks which were categorised either as High or Unacceptable though pointed out that such risks could arise in changed circumstances. Such risks to be brought by the Manager urgently to the Board's attention.

9.0 QUALITY

Our ISO International Quality Standard was verified by Independent Audit on Wednesday, 1 August 2018.

10.0 MANAGEMENT SERVICES TO DERRYLIN ENTERPRISES LIMITED

The agency continues to provide management support to Derrylin Enterprises Limited where occupancy remains at 100%.

Introduction

Community Change, NICVA and the Volunteer Development Agency have been part of a steering group on best practice in finance and governance along with the Department of Health, Social Services and Public Safety, the Department for Finance and Personnel and the Department for Social Development. The steering group have been working on developing guidance on organisational reserves in voluntary and community organisations.

The purpose of the guidance is to provide voluntary and community organisations with best practice advice in respect of reserves. The guidance highlights the importance of having an agreed Reserves Policy which justifies holding appropriate levels of financial reserves to protect against future uncertainties and allow organisations to take advantage of change and opportunity.

The Board of Directors of Fermanagh Enterprise Ltd (FEL) have applied this guidance and best practice in developing this Reserves Policy.

Policy Statement

The Board of Directors of FEL are aware of the need to secure the viability of the Organisation beyond the immediate future. In order to maintain and develop support to the Organisation's Small Business Start-up and Growth clients in a strategic way, the Board recognise the need to maintain sustainability both of the skills and experience accrued by the staff and also the extensive workspace built to provide an important business location for the Organisation's tenant businesses.

The Board also recognise the risks associated with the short-term nature of much of the support Programmes currently being delivered by the staff, all of which are subject to tender on the open market as well as being influenced by the budget restrictions and limitations of bodies which are well outside the control or influence of the Directors themselves.

In order to be able to provide reliable services over the longer term, FEL must be able to absorb setbacks and to take advantage of change and opportunity. It is considered good practice for the Organisation to seek to build and maintain some financial reserves which will allow the Board to meet future commitments or unforeseen expenses without a negative impact on their ability to deliver their services or develop their businesses in the manner planned.

The Board has agreed to seek to build some financial reserves which will allow them to:

- meet future commitments or unforeseen expenses without a negative impact on their ability to deliver their services
- take advantage of any future business opportunities which may present themselves
- be in a position to respond to any developing market demand for services over and above that provided from the current portfolio of the Organisation.

In keeping with the strategic direction of the Organisation, a key aspect is the monitoring of occupancy levels in the Buttermarket, the Enniskillen Business Centre and the Killyhevlin Business Centre and also the demand for workspace over and above the capacity of these Centres. As occupancy rates have been maintained consistently at or close to 100%, the Board agreed in March 2018 to consider the potential to provide further workspace. This strategic decision has been actioned through the purchase and current refurbishment of Abbey House.

Definition of Reserves

For the purposes of this Policy the term “Reserves” is applied to that part of the Organisation’s income that is freely available for its general purposes. Reserves are the resources the Organisation has or can make available to spend for any or all of its purposes, once it has met its commitments and covered its other planned expenditure.

This definition excludes unspent money from restricted grants or funds where this is relevant.

Extent of Reserves

The Reserves needed to meet these plans for further workspace development, as well as other contingencies, are dependent on a number of external factors such as market demand for property, changing property prices, availability of suitable properties and are likely to be anything from £600k to £1.5m.

The Board plan to build Reserves year on year from trading surpluses if available.

Review

This Reserves Policy will be reviewed Annually.