

Fermanagh Enterprise Ltd

Annual Report

Year Ended 31 March 2018

- 1.0 Introduction
- 2.0 Workspace
 - 2.1 Buttermarket Occupancy
 - 2.2 Enniskillen Business Centre Occupancy
 - 2.3 Killyhevlin Business Centre Occupancy
 - 2.4 Provision of Incubation Workspace
 - 2.5 Tenant Churn
- 3.0 Business Start Support
 - 3.1 Business Start Programme
 - 3.2 Northern Ireland Business Start-Up Programme
- 4.0 Kick Start Programme
- 5.0 Exploring Enterprise 3 Programme
- 6.0 Co-Innovate Programme
- 7.0 Consultancy
 - 7.1 ENI Small Business Loan
- 8.0 Charitable Status
- 9.0 Enterprise Awareness
 - 9.1 Company Profile
 - 9.2 Partnership Working
- 10.0 Superfast Broadband
- 11.0 Property
 - 11.1 Killyhevlin Business Centre
 - 11.1.1 Redevelopment of Shower Block
 - 11.2 Four Years On
 - 11.3 Abbey House
- 12.0 Audit and Risk Committee
- 13.0 Quality
- 14.0 Management Services to Derrylin Enterprises Limited

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 23 April 2018.

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 98% (2017 100%)
- 22 Firms
- 34 Jobs

Table 1 - Summary of Current Occupancy Details

Table 1 - BUTTERMARKET OCCUPANCY – MARCH 2018

| 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 | Lorna Smyth Embroidery Artist | |
| 6 | Rebecca's Coffee Shop Store | |
| 7 | Ken Ramsey Picture Framing | |
| 8 | Enniskillen BID Ltd | February 2018 |
| 9 | Stitch-in-Time | |
| 10 | Material Things | |
| 11 | Angelic Crystal Realm | |
| 12 | EweMomma | July 2017 |
| 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 | Collage Collective | |

Details of Unit Holders who retired, expanded and relocated during the period, can be summarised as follows: -

1 retired: William Ellis Watch Repair. 1 expanded and relocated: Fable Heart.

2.2 Enniskillen Business Centre Occupancy

Over the year, average occupancy was 99% (2017 96%)

Table 2 - Summary of Current Occupancy Details

Table 2 - ENNISKILLEN BUSINESS CENTRE OCCUPANCY – MARCH 2018

| Unit No | Unit Holder | Licence | Start Date New Unit Holders (in this year) |
|-------------|---|---------|--|
| 1 | Bim Recruiter | ✓ | March 2018 |
| 2 | Plant Machinery and Commercial Advertising | ✓ | |
| 3 | Dylan Quinn Dance Theatre | ✓ | |
| 4/5/6 | ICBAN | ✓ | |
| 7 | Theresa Monaghan Psychotherapy | ✓ | |
| 8/9/10/11 | Corrigan and Co Limited | ✓ | |
| 12 | Fitness Matters | ✓ | |
| 13 | Focus Recovery | ✓ | January 2018 |
| 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 | Fermanagh and Omagh District Council – <i>temporary storage</i> | ✓ | August 2017 |
| 24 | Erne Tutor Services | ✓ | July 2017 |
| 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 | ✓ | |
| 45/46 | Digi Repairs (UK & Ireland) Ltd | ✓ | |
| 47 | Western Health and Social Care Trust | Lease | |
| 48a | McCrystal Delivery Ltd | ✓ | |
| 48b | Maritime and Coastguard Agency | Lease | May 2017 |
| 49 | Annan Interiors Ltd | ✓ | April 2017 |
| 50 | Pat Nolan Woodwork | ✓ | |
| 51 | R H Financial Matters | ✓ | |
| 52 | Powder and Pout Beauty Salon | ✓ | |
| 53 | Discreet Beauty Solutions | ✓ | June 2017 |
| 54 | Paul Cooke | ✓ | |
| 55 | Blue Noise Design | ✓ | |
| 56 | Adult ADHD NI | ✓ | |
| 57 | Smart Pain Resolution | ✓ | |
| 58 | Judy Buckley Reflexology | ✓ | January 2018 |
| 59 | JH Counselling | ✓ | |
| 60 | First Choice Selection Services Ltd | ✓ | |
| 61 | Contessa Ltd | ✓ | May 2017 |
| 62/63 | Care Plus | ✓ | |

Unit Holders who relocated/retired/gained employment/ceased trading during the period:- *3 relocated*: Sign Design; Speedy Cabs; Drink Wise, Age Well. *1 retired*: Jo Jingles; *1 gained employment*: Mobile Computer Services/Dave's RC; *1 ceased trading*: Me Unlimited.

2.3 Killyhevlin Business Centre Occupancy

Over the year, average occupancy was 97% (2017 81%).

Table 3 - Summary of Current Occupancy Details

Table 3 - KILLYHEVLIN BUSINESS CENTRE OCCUPANCY – MARCH 2018

| Unit No | Unit Holder | Start Date New Unit Holders (in this year) |
|----------|--|---|
| 1 | Liberty HR | |
| 2 | Marks Mechanical Services | |
| 3 | Time for You | |
| 4 | Donal Corrigan Construction | |
| 5 | Airidas Tattoo | |
| 6 | O H Project Management Services Ltd | July 2017 |
| 7 | Mind Yoga & Rehab Studio | |
| 8 | | |
| 9/13/17 | <i>Fermanagh Enterprise Ltd – Reception/Stores</i> | |
| 10 | Red Cross | |
| 11 | Fermanagh Neuromuscular Therapy & Sports Injury Clinic | |
| 12 | Grainne Moane Hair & Makeup | |
| 14/15/16 | Cafe JD | |
| 18 | Highgate Corporate Ltd | January 2018 |
| 19 | Erne Counselling Services | |
| 20 | SugarProjects | |
| 21 | Anaeko | April 2017 |
| 22 | G.J Gartland Chartered Accountant | |
| 23/24 | Roofscape Limited/Pimsmart | |
| 25 | Martin Insurance Ltd | |
| 26 | HenorStag.com | |
| 27 | PFPWEALTH | |
| 28 | Fermanagh GAA | |
| 29/30 | Enniskillen Auctions Storage | |
| 31 | Siemens Wind Power Ltd | |
| 32 | Tony's Kitchen | |
| 33 | Castle Foods Services | |
| 34 | Speedy Cabs | February 2018 |

Details of Unit Holders who relocated during the period, can be summarised as follows: -

3 relocated: Photovision Photography; Charm Buddy Ltd; Grab-A-Cab.

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 – 16% (2017 10%)

3.0 BUSINESS START SUPPORT

3.1 Business Start Programme

63 plans have been delivered under the Business Start Programme in the period from 1 April – 31 August 2017.

3.2 Northern Ireland Business Start-Up Programme

The Organisation, in conjunction with Enterprise NI, received confirmation on 7 August 2017 of success in tendering for delivery of the new Business Start Programme which is a joint NI wide Council funded initiative. Fermanagh Enterprise Ltd is the delivery Agent in Fermanagh.

This Programme which will run until March 2021 will provide Start-up Support through a range of Mentoring, Workshops and Business Plans similar to previous Programmes.

79 plans have been delivered under the new Programme.

4.0 KICK START PROGRAMME

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.

An invitation to Tender for Kick Start was made public in August 2017 and Fermanagh Enterprise Ltd and Omagh Enterprise Company Ltd joined forces to submit a Tender. This Tender was successful and delivery began in October 2017. The Programme will run until 2021.

6 Baseline Assessments were completed and 3 clients were approved for Mentoring days.

5.0 EXPLORING ENTERPRISE 3 PROGRAMME

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 10 participants who attended Pre-Training Personal Development and Training, 7 of whom successfully received Post Mentoring Support.

6.0 CO-INNOVATE PROGRAMME

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.

One Workshop was held on 7 November 2017 at which there were 30 attendees.

7.0 CONSULTANCY

7.1 ENI Small Business Loan

During the year, 4 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: - | Outdoor Cleaning Business | £5,000 |
| | Convenience Store | £25,000 |
| | Industrial Cleaning Equipment | £6,000 |
| | Restaurant | £5,000 |

8.0 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 2017

| April 2017 – March 2018 | Duration |
|------------------------------------|------------------|
| Business Advice and Support | 220.5 Hours |
| Local Development | 161.5 Hours |
| Schools and Colleges | 97.5 Hours |
| Equipment and Room Usage | 97.5 Hours |
| TOTAL | 577 Hours |
| Enquiries – by telephone | 1,880 |
| Enquiries – in person | 808 |

An analysis of Enquiries is shown in [table 5](#).

Table 5 – TYPES OF ENQUIRIES SINCE 1 APRIL 2017

| April 2017 – March 2018 | Percentage |
|--------------------------------|-------------------|
| General Business | 54% |
| Programme Support | 27% |
| Workspace | 5% |
| Miscellaneous | 14% |
| E-mail | Not quantified |
| Social Media | Not quantified |

9.0 ENTERPRISE AWARENESS

9.1 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) 17 press releases, 9 photographs and 30 advertisements.
- b) The Organisation was also associated and mentioned in at least 83 local press items during the year.
- c) A social networking presence was maintained with activity on Facebook - 387; Twitter - 251; and Website Blogs - 116.

9.2 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
- GREBE Industry Advisory Group
- Co-Innovate
- ICBAN
- Northern Ireland Enterprise Agencies
- Enterprise West
- Cross Border Enterprise Boards

10.0 SUPERFAST BROADBAND

During the period, Fermanagh Enterprise Ltd has been involved in an initiative which brings vastly improved connectivity to tenant businesses.

This Scheme funded by DEARA, as part of a Rural Business Investment Scheme called 'The Rural Connection Vouchers Scheme' is administered by Belfast City Council and provides financial support to install high speed internet access to small businesses as follows: -

- High Speed Wireless Internet access – a dedicated leased line for 3 years.
- Fibre connection into each unit, supported by an internal router for each business.
- Internet speeds of up to 500mbit/s across the Enniskillen Business Centre and 250mbit/s in the Killyhevlin Business Centre and The Buttermarket, which is significantly faster than anything available at present for most budgets.

Following a successful rollout of a Group Application in Enniskillen Business Centre of 39 Businesses, similar Group Applications have been co-ordinated for the Killyhevlin Business Centre and The Buttermarket.

11.0 PROPERTY

11.1 Killyhevlin Business Centre

11.1.1 Redevelopment of Shower Block

Following the withdrawal of a Gymnasium proposal as a result of planning objections, an alternative tenant has been agreed for this redevelopment. Café JD plan to move to this Block and expand their Business. It is anticipated that the Planning and Building Control approvals will be in place late April with Contractors Tenders being requested and returned in early May. At this point, a Property Sub Committee Meeting will be convened to review the Tenders, appoint a Builder and agree time scales for the Contract.

11.2 Four Years On

Four years after the purchase of the previous NI Water HQ at the Killyhevlin Industrial Estate, it is useful to reflect, as a learning process, on the decision and perhaps the wider impact of this development on local economic development in the area.

Back in 2013, this was a derelict, overgrown site abandoned by public sector reform and becoming rapidly dilapidated. The Board however, whilst acknowledging the risks, recognised the potential. The following is a press release published in early 2014:

“Local Business Development Agency takes over vacant NI Water site in Enniskillen.

The former NI Water premises in the Killyhevlin Industrial Estate, which has been vacant since 2009, is about to receive a new lease of life. The three-acre site and office block were fast becoming a sad and derelict epitome of the impact of public sector jobs being moved out of the county as it lay idle for four years. However, hope that this once busy site can again be restored to a prosperous hub of activity has been renewed by the vision of a forward thinking ambitious local Business Development body.

Fermanagh Enterprise Ltd which has successfully promoted small business start-up and development in the County for over twenty years has just negotiated a deal to purchase the site.

The property extends to 8,000 sq ft of industrial units and an office block comprising over twenty offices and board rooms and covers over three acres with excellent parking and landscaped grounds.

John O’Kane, Fermanagh Enterprise Ltd Chairman said, “This is a significant investment which does involve risks in an uncertain economy. However, we have developed a vacant site at Lackaghboy into a thriving busy Business Centre which enjoys virtually 100% occupancy and is the headquarters of 40 businesses providing jobs for 60 people. It is the vision of the Board that we can similarly develop the property in the Killyhevlin Industrial Estate, transforming what is now a vacant site to support business development and create much needed jobs. This may take some time, but it is an aspiration which we believe is well worth the effort and work which will be involved.”

Fermanagh Enterprise Ltd is a Social Enterprise set up and run by a Board of Directors who give their time, experience and expertise on a completely voluntary basis to help to improve the local economy of Fermanagh. The Organisation has a long and very successful association with the delivery of Business Start-up support, training and advice to individuals who are in the process of setting up in business. Indeed, a look at Start-up figures in the County over the past ten years, indicate business start rates which are higher than any District Council area outside of the large centres of population in Derry and Belfast.”

That vision of the Directors has in some ways, at least been realised. We are fortunate to have been supported by our small business clients in letting the space. This provides the vital rental revenues which are central to the sustainable business model of a business support Organisation such as Fermanagh Enterprise Ltd. The Centre is now home to 27 businesses providing 35 jobs and 100% occupied.

Indeed, it may be that the refurbishment of the site has had a wider impact and has acted as a catalyst, encouraging other private development of the surrounding area. There is no doubt that other properties around the Centre has been given a general lift over the past four years. Examples of development since the opening of Killyhevlin Business Centre are:

- The former Cash and Carry site which was vacant, is now occupied by Electrical Europe, a firm headed by John Coalter. We are pleased to report that John's business began its life in Unit 48, Enniskillen Business Centre before outgrowing the space and moving to the present premises.
- Enniskillen Auctions have developed what was a vacant site and are now operating very successfully and drawing large crowds to the Estate.
- Push Fitness, a popular gym, has located in the next site - again this site was vacant back in 2013.
- Across from the entrance to our site, a previously vacant site has been developed and is the home of OHW Drinks. Again, this business started life in a Fermanagh Enterprise Ltd Unit before expanding and moving on to something bigger.
- Another nearby site which has been unused for a time has been sold and will shortly be developed.

Hopefully Abbey House will prove to be a similar success.

11.3 Abbey House

Following the AGM in October 2017 where the matter of Reserves/Reserves Policy was highlighted, an opportunity arose in the property market which was acknowledged as having the double benefit of addressing the Reserves issue as well as providing an important regeneration project to tackle the local issue of the public sector moving out of the area.

Abbey House, the former offices of HMRC, had been placed on the market and was viewed by the Directors. The Members regarded the building as having potential for development and followed up with a full Options Appraisal and Financial Projections to evaluate and cost the strategic alternatives available over the next number of years.

This Appraisal highlighted the potential of Abbey House as a feasible development project and budget parameters were identified and agreed.

The Manager was given authority to negotiate with the Selling Agent and a subsequent offer was accepted, subject to survey, by the Agent.

A Pre-Requisition Building Inspection Report was then commissioned and undertaken by Elliott York Chartered Surveyors and presented at a Meeting of the Board on 14 March 2018. On the basis of the information presented, the Members agreed that the Property complemented the existing workspace provision and would be a valuable asset in promoting the Aims of the Organisation in a town centre location. A decision to proceed with the purchase was agreed and a Contract was signed on 12 April 2018.

12.0 AUDIT AND RISK COMMITTEE

The Audit and Risk Committee met on Monday, 2 October 2017. The Committee Chair, Mr Harpur, 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 Sub-Committee had added two extra areas of risk this year, namely Reputational Risk and the Risks associated with Brexit. Mr Harpur worked through the colour coded risk maps presented. It was agreed that all areas of risk were receiving acceptable management 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 Boards attention.

13.0 QUALITY

Our ISO International Quality Standard was verified by Independent Audit on Tuesday, 19 September 2017.

14.0 MANAGEMENT SERVICES TO DERRYLIN ENTERPRISES LIMITED

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