



Annual Report

Year Ended 31 March 2021

Presented to Board of Directors 30 April 2021

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1.0 INTRODUCTION

This report covers the 12-month period ending 31 March 2021 and therefore includes virtually all of the extraordinary circumstances so far which have arisen as a result of the COVID-19 Pandemic.

This Report was adopted by the Board at a meeting of Directors on 30 April 2021.

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

In order to protect the interests and well-being of the Organisation, staff, tenants, clients and the public, during the Pandemic, the Board acted quickly and decisively once the threat became evident in March 2020. Actions were taken to respond to the crisis and best manage the associated risks. This included: -

- Introduction of COVID-19 Protocols in line with advice from the Health Authorities
- Assessment of Organisational, Strategic, Financial and Operational risks by the Audit and Risk Sub-Committee
- Formulation of a COVID-19 Sub-Committee to work with the management team in responding to changing circumstances
- Realignment of Budget projections from annual to monthly
- Reports to Board monthly
- Actions to help tenants access support grants
- Support for tenant businesses where financial distress was evident including a rent moratorium and rent reductions
- Cost reductions which included placing staff on furlough and ceasing programme delivery as demand came to a halt.

The Pandemic has impacted on all areas of operation of the Company.

2.0 WORKSPACE

2.1 Buttermarket Occupancy

- Occupancy 78% (2020 99%)
- 22 Firms
- 33 Jobs

Table 1 - Summary of Current Occupancy Details

Table 1 - BUTTERMARKE T OCCUPANCY – MARCH 2021

| 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 | Elysian | |
| 6 | Rebecca's Coffee Shop Store | |
| 7 | Ken Ramsey Picture Framing | |
| 8 | Enniskillen BID Ltd | |
| 9 | Stitch-in-Time | |
| 10 | Material Things | |
| 11 | Michael Brown Artist | August 2020 |
| 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 | Airidas Tattoo | October 2020 |
| 21 | Marius Blake Associates | |
| Coffee Shop | Rebecca's Coffee Shop | |
| Craft Shop | Town House Country House | |

Details of Unit Holders who relocated and retired, during the period are: - *1 relocated* - Lunny Imaging;
1 retired - Angelic Crystal Realm.

2.2 Enniskillen Business Centre Occupancy

Over the year, average occupancy was 91% (2020 97%)

Table 2 - Summary of Current Occupancy Details

Table 2 - ENNISKILLEN BUSINESS CENTRE OCCUPANCY – MARCH 2021

| Unit No | Unit Holder | Licence | Start Date New Tenants (in this year) |
|-------------|---|---------|---------------------------------------|
| 1 | Latimer Building Services (NI) Ltd | ✓ | |
| 2 | Plant Machinery and Commercial Advertising | ✓ | |
| 3 | Sharon Ferguson Play Therapy | ✓ | February 2021 |
| 4/5/6 | ICBAN | ✓ | |
| 7 | Theresa Monaghan Psychotherapy | ✓ | |
| 8/9/10/11 | Corrigan and Co Limited | ✓ | |
| 12 | Fitness Matters | ✓ | |
| 13 | Western Health and Social Care Trust | Lease | |
| 14-17/47 | Western Health and Social Care Trust | Lease | |
| 18/19 | Fermanagh School of Music & Performing Arts | ✓ | |
| 20 | Enterprise Catering | ✓ | |
| 21 | Polliwogs Paint Pots | ✓ | |
| 22 | Tops Barber Shop | ✓ | |
| 23 | FOCUS | ✓ | July 2020 |
| 24 | Erne Tutor Services | ✓ | |
| 25 | McNutt Plumbing & Heating | ✓ | |
| 26/27 | Lakeland Electrical Services (NI) Ltd | ✓ | |
| 28/29/30 | Fermanagh Flooring | ✓ | |
| 31 | WHSCT Condition Management Programme | Lease | |
| 32 | BePrepped | ✓ | November 2020 |
| 33 | Fermanagh GAA | ✓ | |
| 34 | Fabric Fashion | ✓ | |
| 35/36 | SMC Services | ✓ | |
| 37/39 | Tempo Turning | ✓ | |
| 38 | The Pilates Studio | ✓ | |
| 40 | Ciara Jones Photography | ✓ | |
| 41/42/43/44 | Fermanagh Community Transport | ✓ | |
| 45 | Digi Repairs (UK & Ireland) Ltd | ✓ | |
| 46 | FOCUS | ✓ | |
| 48a | R Shop24 | ✓ | September 2020 |
| 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 | ✓ | |
| 55 | Watters Property Sales | ✓ | |
| 56 | Niall Greene Counselling | ✓ | October 2020 |
| 57 | Brian Coalter Transport Ltd | ✓ | |
| 58 | Judy Buckley Reflexology | ✓ | |
| 59 | JH Counselling | ✓ | |
| 60 | Care Plus | ✓ | October 2020 |
| 61 | Integrity Underwriting | ✓ | |
| 62/63 | Care Plus | ✓ | |

Details of Unit Holders who expanded, relocated, ceased trading, downsized and centralised during the period are: - 2 *expanded onsite* - FOCUS, Care Plus; 1 *expanded to KBC* - Hermes; 1 *relocated* - Silvermist Studios; 1 *ceased trading* - Erne Administrative Services; 2 *downsized onsite* - Contessa Ltd/Integrity Underwriting, Polliwogs Paint Pots; 2 *centralised* - proPARAMEDICS, First Choice Selection Services Ltd; (Adult ADHD NI changed name to Niall Greene Counselling).

2.3 Killyhevin Business Centre Occupancy

Over the year, average occupancy was 86% (2020 96%).

Table 3 - Summary of Current Occupancy Details

Table 3 - KILLYHEVLIN BUSINESS CENTRE OCCUPANCY – MARCH 2021

| Unit No | Unit Holder | Start Date New Tenants (in this year) |
|----------|--|--|
| 1 | Liberty HR | |
| 2 | Marks Mechanical Services | |
| 3 | Enniskillen Counselling Practice | July 2020 |
| 4 | Telemetry | |
| 5 | Airidas Tattoo | |
| 6 | AVNG Limited | September 2020 |
| 7 | Mind Yoga & Rehab Studio | |
| 8/9 | Café JD | |
| 10 | Red Cross | |
| 11 | Fermanagh Neuromuscular Therapy & Sports Injury Clinic | |
| 12 | Grainne Moane Hair & Makeup | |
| 13/17 | <i>Fermanagh Enterprise Ltd – Reception/Store</i> | |
| 14 | Happythreads | |
| 15 | Café JD Storage | |
| 16 | Blush Beauty | |
| 18 | MCM Insurance Brokers Ltd | |
| 19 | Erne Counselling Services | |
| 20 | SugarProjects | |
| 21 | Anaeko | |
| 22 | G.J Gartland Chartered Accountants | |
| 23 | Paul Cassidy | October 2020 |
| 24 | Roofscape Limited/Pimsmart | |
| 25 | Martin Insurance Ltd | |
| 26 | Highgate Corporate Ltd | |
| 27 | PPWEALTH | |
| 28 | Fermanagh GAA | |
| 29 | Hermes | June 2020 |
| 30 | Castle Foods Services Ltd | June 2020 |
| 31 | Siemens Gamesa Renewable Energy Wind Ltd | |
| 32 | Tony's Kitchen | |
| 33 | Castle Foods Services Ltd | |
| 34 | Speedy Cabs | |
| Compound | Trevor's Courier Service Ltd | November 2020 |

Details of Unit Holders who expanded, relocated and downsized during the period are: - *1 expanded on site* - Castle Foods Services Ltd; *1 relocated* - Global Risk Solutions; *1 downsized* - Roofscape Limited/Pimsmart.

2.4 Abbey House Business Centre Occupancy

Over the year, average occupancy was 85% **(November 2019 to March 2020 69%)**.

Table 4 - Summary of Current Occupancy Details

Table 4 – ABBEY HOUSE BUSINESS CENTRE OCCUPANCY - MARCH 2021

| Unit No | Unit Holder | Start Date New Tenants (in this year) |
|----------|--|--|
| 1 | Supporting Communities | |
| 2 | Reflexology with June | December 2020 |
| 3 | Think6 Marketing Solutions | |
| 4 | Turning Point Properties | |
| 5 | AVRIO Environmental Management | |
| 6 | Lakeland Therapy | |
| 7 | Café Mezza Ltd | |
| 8 | Digital Hub A: Medjugorje Messenger B: Grays Clip Ltd C: Blue Noise Design D: FarmLab Diagnostics | November 2020 August 2020 |
| 9/10 | ABS Accountants Ltd | September 2020 |
| 11 | | |
| 12 | Footwear Solutions NI Ltd | |
| 13/26/28 | Nu Span Flooring Ltd | |
| 14 | Skin Deep & Beauty Treats | |
| 15 | Dcx-FER | |
| 16 | Patrice's Podiatry Practice | |
| 17 | Energy Solutions NI | July 2020 |
| 18 | MacDigital | |
| 19 | BIM Recruiter | |
| 20 | Erne Facades Ltd | |
| 21 | MYI Ltd | |
| 22 | Dee Hamill Nutrition | |
| 23 | Forsyth of Denny | |
| 24 | | |
| 25 | CASS LTD | September 2020 |
| 27 | Ryvon Consulting | |
| 29 | Abbey Vat & Customs Services | |

Details of Unit Holders who relocated, downsized and retired, during the period are: - *7 relocated* - ThreeSixtyFour Ltd, Accounting Solutions, DS McDermott Financial Planning, Zen Therapies, Romana Harron Harding, Fleming Mortgage and Protection, Dr. David Morrison; *1 downsized* - Dee Hamill Nutrition; *1 retired* - OH Project Management Services Ltd.

2.5 Provision of Incubation Workspace

The Agency seeks to maintain a balance between the Provision of Incubation 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.

2.6 Tenant Churn

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

Tenant Churn – 16.5% (2020 33% - Note: 27 New Tenants came on board during year ended 2020 as a result of Abbey House completion. This has skewed this Metric for 2020).

3.0 PROGRAMMES

Demand for Programmes came to a halt as a result of the Pandemic and delivery staff were placed on flexible furlough for much of the year.

This has resulted in a drop in Programme participation and in Programme Revenue.

3.1 Northern Ireland Business Start-Up Programme

Fermanagh Enterprise Ltd, Omagh Enterprise Company Ltd and Enterprise Northern Ireland work together to deliver NIBSUP in the Fermanagh and Omagh District Council region with Fermanagh Enterprise Ltd being the delivery agent in Fermanagh.

55 Business Plans were successfully delivered in Fermanagh during the year.

This Programme, operated since September 2017 has ended in March 2021.

The overall target for the Programme over the Fermanagh and Omagh District Council region was 858 Plans. This target was exceeded – 860 Plans were completed.

A Tender to continue to deliver the Business Start Programme in the area has been successful. This Initiative is very much a continuance of the type of support provided under the previous Programme and will run for two years.

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: - 97 baseline assessments completed and receiving support. 160 days mentoring completed; 110 job creation assisted; 1 Bite Size Brexit on-line event with 40 attendees took place during the year, bringing the total to 8 events organised and delivered.

3.3 Exploring Enterprise 3

During the year, there was no activity on the Exploring Enterprise Programme. The Income below was earned in the previous year.

3.4 Co-Innovate

During the period, 1 business was assisted under the Programme. They received Strand 4 Support which allowed them to get financial assistance to take on an employee to develop a new product.

4.0 CONSULTANCY

4.1 ENI Small Business Loan

During the year, 10 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, provided by FEL.

| | | |
|-----------------------------|--|-----------------|
| Businesses assisted were: - | Sale of Hair & Beauty Products to Salons | £14,000 |
| | Sales & Maintenance of Engineering Equipment | £20,000 |
| | Equine Massage Business | £4,000 |
| | Steel Erecting Business | £15,000 |
| | Sales & Maintenance of Engineering Equipment | £20,000 |
| | Renting Mobile Phone Chargers | £6,000 |
| | Holistic Therapy | £20,000 |
| | Refurbishing Lorry Cabs | £10,000 |
| | Garden Maintenance | £6,000 |
| | Dog Grooming | <u>£1,500</u> |
| | TOTAL | £116,500 |

5.0 ENTERPRISE AWARENESS

5.1 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) 6 advertisements and there were no press releases or photographs.
- b) The Organisation was also associated and mentioned in at least 80 local press items during the year.
- c) A social networking presence was maintained with activity on Facebook – 255; Twitter – 97; and Website Blogs – 75.

5.2 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
- 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

6.0 CRAFT FUND SUB-COMMITTEE

The Craft Fund Sub-Committee met on 10 November 2020 to discuss the future use of this Fund. The Members agreed to fund a promotional website for the Buttermarket and the tenant businesses. This site will include professional promotional videos and still footage of tenant businesses and links to tenants own E-commerce websites. These videos and photographs would be given to tenant businesses to use in their own promotional activities.

The Members felt that this work should be progressed to help promote and support tenant businesses regardless of the outcome of the current management agreement negotiations. It was also agreed to provide funding for any future tenancy changes so that new tenants could be added to the website as required.

The Initiative is on hold until current restrictions are lifted and some activity returns to the Buttermarket.

7.0 AUDIT AND RISK SUB-COMMITTEE

The Audit and Risk Sub-Committee met twice during the year.

Firstly, in May 2020, as part of the Directors response to the impact of the Pandemic. This meeting, for the first time ever, identified a number of risks which were categorised as Red or 'High Risk' and the risk to cash flow at that time was categorised as purple or 'Unacceptable Risk'. Both these levels of Risk Categorisation required immediate and decisive action by the Board and resulted in a range of actions covered throughout this Report in an effort to mitigate these risks.

Careful tracking and reporting of progress each month ensured close monitoring of all risks and in November 2020, the Audit and Risk Sub-Committee met again to update their Risk Categorisation. At this time, the Sub-Committee were able to confirm that Management and Board action had been effective and a number of risks were downgraded.

The risk to cash flow was downgraded from purple but was still regarded as a 'Red' Risk. Other high risk areas remaining were 'Not Achieving Income' and 'Drop in Demand for Programmes'.

8.0 QUALITY

The QMS International Quality Audit was carried out on 20 November 2020. The Organisation's Management Systems received a clean bill of health and the Audit Report confirmed that the Quality Standard of the Company's management conformed in full to the new ISO 9001:2015 International Standard.

9.0 MANAGEMENT SERVICES TO DERRYLIN ENTERPRISES LIMITED

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

10.1 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.

10.2 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:

- Absorb some of the impact of falling revenues caused by the current pandemic and any future crises
- 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.

10.3 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.

10.4 Extent of Reserves

Reserves are needed to secure the viability of the Organisation, meet unforeseen contingencies and develop and grow the services of the Company and dependant on a range of external factors including market demand for property and micro and macro trends in the economy which are outside the control of the Board. The extent of the Reserves required are likely to be in the region of £600k to £1.5m.

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

10.5 Review

This Reserves Policy will be reviewed Annually.