

MALLUSK ENTERPRISE PARK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the company's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objectives of Mallusk Enterprise Park are the promotion for Public Benefit of Urban and Rural regeneration, in or around the vicinity of areas of social and economic deprivation, in the Newtownabbey area and its environs 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 amongst unemployed people, and providing unemployed people with work experience
- iv. The provision of financial assistance, technical assistance or business advice / 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. The creation of training and employment opportunities by the provision of workspace, buildings and / or land for use on favourable terms.

The principal objectives of the organisation are to promote community and economic development by means of assisting unemployed and economically inactive people to become self-employed, and to offer workspace accommodation to businesses that will create employment opportunities for those who are not currently employed. Business incubation and mentoring support is offered to both new and existing tenants to enable them to sustain, grow and develop their businesses.

The organisation provides free enterprise advice, education and training courses, and organises events and workshops to promote self-employment as a viable alternative to long term unemployment. We provide management advice and expertise to local community groups in the third sector, to assist them in areas such as sustainability, governance and general management skills. There are a wide range of support services that are offered to anyone seeking business or management advice.

In setting our objectives and planning our activities for the year, the trustees have given careful consideration of the Charity Commission for Northern Ireland's guidance on public benefit to ensure that the activities have helped to achieve the charity's purposes and provide a benefit to the beneficiaries.

MALLUSK ENTERPRISE PARK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

As a social enterprise Mallusk Enterprise Park records its social impact and tracks how it helps local individuals and businesses. The directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the company should undertake.

In the last financial year we have achieved the following:

- Over **2,000 calls** handled by the organisation in reference to requests for general business advice and workspace enquiries.
- **15,131 emails** were distributed, informing businesses of various funding sources or general business information including updates on legislation.
- 2022 Average Occupancy = **99.41% / 57 businesses**. 29 businesses occupy office units, whilst 28 businesses occupy industrial units.
- **105** workspace enquiries.
- Provision of business accommodation to **64 businesses employing 258 people**.

Free enterprise advice, education and training courses provided during the year:

Pre Start Support

Business start-up Coaching programme

Tailored 'entrepreneurship' programme aimed at increasing business creation and self-employment. Provided pre and post support to complement the existing "Go For It" support. This coaching programme specifically targeted individuals who were economically inactive or unemployed. This programme was funded by Antrim and Newtownabbey Borough Council.

Programme outputs:

- Number of clients – 63
- Hours of one to one support provided – 126

Start Her Up Programme

An Enterprise Northern Ireland Female entrepreneurship programme for women aged 18-40. This programme specifically targeted BAME, women living with a disability and those living with neurodiversity. Mallusk Enterprise Park were allocated 2 clients based upon their geographical location.

Programme outputs:

- One to one mentoring provided to 2 women
- Number of Business Start-ups - 2

MALLUSK ENTERPRISE PARK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Start Up Support

Northern Ireland Business Start Up Programme (NIBSUP)

The Go For It Programme is the first stop for entrepreneurs in Northern Ireland. Managed by Enterprise Northern Ireland, Mallusk Enterprise Park are the delivery agents for individuals living within BT29, BT36 and BT37. We provide free step-by-step advice and mentoring to guide founders towards the launch and success of their businesses.

Programme outputs:

- Number of enquiries - 175 Clients
- Number of initial meetings conducted - 124
- Mentoring hours completed (one to one support) - 662
- New Business start-ups – 100

Women in Business / Yes You Can “Explore It” Programme

Mallusk Enterprise Park are delivery partners for Women in Business NI. The Yes You Can programme is a hybrid 4 month programme for cohorts of 15 women who are in the idea stage or early trading stages of business. With on going support, participants are guided on how to put what they learn into practice through Business Start training, Digital Marketing training, Peer Advisory Groups and 1:1 Buddy Support.

Programme outputs:

- Number of enquiries – 68
- Mentoring hours completed - 100
- Number of workshops delivered – 8
- New Business Start-ups – 14

Social Enterprise Programme

Funded by Antrim and Newtownabbey Borough Council; the programme offered one to one mentoring from a specialist, access to group workshops, networking opportunities with other social enterprise businesses and access to a bursary.

Programme outputs:

- Number of enquiries – 41
- Mentoring hours completed – 177.5
- Workshops delivered - 7

This programme is due to complete in 2023; outputs to be detailed in 2023 Directors report.

Growth Support

Optimal

Managed by Mallusk Enterprise Park, in partnership with LEDCOM and Antrim Enterprise Agency; Antrim and Newtownabbey Borough Council's Business support and Growth programme. Part funded by Invest Northern Ireland and the European Regional Development fund under the Investment for Growth and Jobs Northern Ireland (2014 – 2020) Programme. The programme was specifically aimed at SME's with 50 or fewer full-time employees and provided bespoke mentoring, workshops and networking opportunities.

Programme outputs:

- Number of clients supported – 74
- Number of mentoring hours – 1,699
- Number of workshops – 8
- Workshop participants - 187
- Jobs created – 24

MALLUSK ENTERPRISE PARK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Start Up Loans

Enterprise NI is the Business Support Partner delivering Start Up Loans in Northern Ireland. A Start Up Loan is a personal loan for business purposes for a term of 1 to 5 years at a fixed rate of 6% per annum.

During 2022 Mallusk Enterprise Park supported 2 clients to access ENI start-up loans, drawing down a total of £12,000 which enabled these clients to finance their business start-ups.

Financial Resilience Programme

Funded by The National Lottery Community Fund; The CO3 Financial Resilience Mentoring Programme enables Chief Executives in the Third Sector to develop financial strategies to escalate their impact to the community.

During 2022 Mallusk Enterprise Park provided 22 hours of one-to-one mentoring to three Third Sector Chief Executives.

Other activities during the year include the following:

- Attendance at online conventions, jobs fairs and networking events (Social Enterprise NI, CO3, Enterprise Northern Ireland, NICVA and IOD).
- Conference and meeting room facility provision; subsidised / 20% reduced cost for tenants.

Mallusk Enterprise Park records its outputs in terms of both quantitative and qualitative impact.

Social Impact Report

Social outputs are measured as follows:

- Board of Directors and staff voluntary time supporting the local economy with a focus on economic regeneration
- Discounted and free usage of conference and meeting rooms (primarily by tenant companies)
- Discounted office / industrial units ref. business incubation for local entrepreneurs
- Staff time on non-income generation to support local business start-up and wider economic regeneration

Directors / Trustees voluntary contribution and staff pro-bono work

As a social enterprise, Mallusk Enterprise Park Board comprises experienced and highly skilled individuals, operating themselves within a range of private and public sector Organisations. Staff employed within the Organisation primarily work on income generating projects however a proportion of their time is offered to local individuals, businesses and third sector organisations on a pro-bono basis. All activities undertaken by Directors and Staff are in line with the Charity's aims and objectives. Directors time is monitored and captured via board and sub-group meetings. These are detailed below:

- 300 hours of Directors Time (Board meetings, sub-group meetings and attendance at associated local economic development events).
- 954 Hours of Staff Time (Pro-bono work to support local economic regeneration, both private and third sector.)

Based upon an hourly rate of £55 per hour, this equates to a total contribution in kind of **£68,970** to the economic development of the local area.

MALLUSK ENTERPRISE PARK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Staff pro-bono assistance was provided to:-

- Economic Development Department within Antrim and Newtownabbey Economic Development
- Antrim and Newtownabbey Labour Market Partnership
- Enterprise Northern Ireland Board membership
- Judging for Young Enterprise NI
- Judging for Women in Business NI
- One to one support provided to multiple entrepreneurs and small business owners who could not be supported through the suite of programmes or those who had exhausted the support available under programmes.
- Tenant Businesses are supported under the Mallusk Incubation Programme. Ad-hoc advice and support is available to all tenants through on-site business advisers and management.

Discounted / Pro bono use of units and meeting space

In certain circumstances discounted rent periods, coupled with incubation support and advice is offered by Mallusk Enterprise Park to support local economic regeneration. In 2022 there was minimal tenant movement out of the Park, therefore incubation units were limited in availability. The associated pro-bono value for units and meeting space in 2022 was **£1,607**.

Mallusk Enterprise Hub

Mallusk Enterprise Hub opened in October 2022, representing an investment of over £200,000.

This new facility comprises five individual huddle rooms and offices, a collaborative-working area, breakout space and conference facilities which accommodate up to 40 delegates. The facility has been utilised by the Mallusk Enterprise Park to deliver workshops, hold meetings with clients and run events such as The Mallusk Christmas market.

These new training facilities will be used to deliver free self-employment workshops to up to 40 individuals at a time. The meeting rooms will be used by our team of employed and associate business advisers to provide free one-to-one mentoring and coaching to local individuals and social enterprises at pre-start, start up and growth stages of business. We also plan to offer the space to members of the general public, our tenants and social enterprises at below market rate. Private sector facilities are expensive to use and often prohibitive to micro and small businesses (stifling innovation) especially at the early stages of business. The rates charged will enable the charity to make a contribution to the overheads which are incurred whilst operating the facility.

MALLUSK ENTERPRISE PARK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The 2022 Mallusk Christmas Market (held within the Enterprise Hub)

The Mallusk Christmas Market was an opportunity for Mallusk Enterprise Park tenants, programme participants (current & past) to showcase and trade their products and services and be supported by Mallusk Enterprise Park in the run up to the peak Christmas season. This was an opportunity also to support the corporate social responsibility aspirations to build a bank/a mountain of Christmas food items and gifts for local people in need this Christmas.

The market was created and facilitated by Mallusk Enterprise Park as part of the celebration of 30 years in business, 'Mallusk Christmas Market' brought together entrepreneurs, marketers, photographers, videographers, influencers & consumers together at Christmas for trading/sales, networking and 'evergreen' content creation.

Mallusk Christmas Market Outputs:

- 25 local businesses were supported to include trading sales acquisition, networking and marketing upskill via a toolkit provided to them pre and post event.
- Press coverage achieved across local media and influence channels.
- Bank of gifts collected for Cash for Kids appeal
- Bank of food donations collected for local foodbank.
- £861 raised for NI Children's Hospice through stall fees and raffle.
- 100 local children visited Santa and received a gift.

Financial review

At 31 December 2022 the balance of unrestricted reserves was £2,062,408 (2021 - £2,004,387), of which £750,629 (2021 - £780,958) has been designated by the Board at the year end.

Restricted funds are restricted for the purpose specified in letters of offer provided by the funding bodies. At 31 December 2022 the balance of restricted funds was £Nil (2021 - £Nil) .

It is the policy of the company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The principal funding arose from rental income and services to tenants with additional income arising from the delivery of enterprise support via a range of programmes managed by the Organisation. All expenditure during the year was directly attributable to achieving the business objectives as outlined above.

The directors have a risk management strategy which comprises:

- a quarterly review of the risks the company may face;
- the establishment of systems and procedures to manage those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the company should those risks materialise.

MALLUSK ENTERPRISE PARK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Future plans

The charity is focused reaching out to, and supporting even more individuals, SME's and social enterprises in 2023. The Enterprise Park is 100% occupied, with a waiting list of 54 businesses. It is committed to servicing the needs of its local community in the provision of affordable workspace and free business advice and support.

The Organisation plans to establish a new social enterprise café on-site to provide training and employment opportunities for local people. This café will provide a much needed break-out area for tenants on-site, whilst creating new jobs and training opportunities.

The acquisition of additional commercial sites within the Borough are currently being explored as the Enterprise Park is currently at full capacity, with a waiting list maintained.

Public Benefit ring-fenced budgets allocated in 2022 will continue to provide more free or subsidised educational training for unemployed people to become self-employed; such as women setting up a part-time business from home and training/ mentoring for those contemplating starting up a small business and those in more rural or inaccessible areas.

Business consultancy and advisory services will continue to be provided by both directors and staff to local community groups, education boards and the voluntary sector.

Structure, governance and management

Mallusk Enterprise Park Limited is a company limited by guarantee governed by its Memorandum and Articles of Association under Companies Act 2016.

The directors who served during the year and up to the date of signature of the financial statements were:

Mr I Patterson (Chairperson)

Mrs L McGarry (Resigned 3 May 2022)

Mr S Pollard

Mr M Spence (Vice Chairperson)

Mr D B Sales (Resigned 5 January 2022)

Ms Z Webber (Appointed 30 May 2022)

As set out in the Articles of Association, one third of the board retire at each AGM. Each year the directors carry out an appraisal of their own and the board's performance and a skills audit helps to identify if there are any skills gaps within the board that would hamper the achievement of objectives. If a gap is identified then a description of the skill required is drawn up and the post advertised in the local media. Applications are reviewed and applicants are invited to attend an interview. An interview panel consisting of the chair, vice-chair and the CEO (as an observer and acting as Company Secretary) conduct the interview and a scoring process ensures that all applicants are treated equally and the highest scoring applicant is recommended by the interview panel to be co-opted on to the board and then formally elected at the next Annual General Meeting. All directors once appointed are given a detailed brief of the operations of the organisation and provided with all relevant documentation. Training in company law and the responsibilities of directors is offered to all directors.

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The board of directors administer the company at a strategic level. The board meet quarterly at present and the chief executive officer manages the day to day running of the company. The organisation relies on directors acting in a voluntary capacity in overseeing the strategic direction and governance of Mallusk Enterprise Park. In terms of time and value of these volunteer directors - each of the 7 directors would dedicate up to 36 hours in meetings plus an additional 10 in preparation and review of reports and up to 10 hours on other matters relating to the organisation. The total input in time therefore would equate to approximately 392 hours of time input by the directors and valued at consultancy rates of £50 per hour this contribution is valued at almost £19,600 over the year.

MALLUSK ENTERPRISE PARK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The organisation has in place the following: Code of Conduct, reserves policy, risk register, governance manual, HR policies, board and staff appraisals, quarterly action plans, quarterly management accounts and balanced scorecard with performance measures.

The Organisation is a member of the following professional bodies: Enterprise Northern Ireland, NICVA, Social Enterprise NI, CO3, NI Chamber of Commerce and DTNI.

CEO, Emma Garrett, is also a board member of Enterprise Northern Ireland.

Statement of directors' responsibilities

The directors for the charitable activities of Mallusk Enterprise Park Limited, are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MALLUSK ENTERPRISE PARK LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Disclosure of information to auditor

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemptions.

The directors' report was approved by the Board of Directors.

Mr I Patterson (Chairperson)

Director

Dated: 23 May 2023