



ANNUAL REPORT 2007



LISBURN ENTERPRISE ORGANISATION

developing an enterprise culture and supporting
business creation and growth

**SEVENTEENTH ANNUAL REPORT FOR
THE BOARD OF DIRECTORS FOR
THE YEAR ENDED
31st DECEMBER 2007**

*to be presented at the eighteenth annual
general meeting on Tuesday 8th May 2008*



LISBURN ENTERPRISE ORGANISATION

FOREWORD

This has been another successful year and we have met, and in some cases exceeded, the targets set. We are proud to be regarded as a successful local Enterprise Organisation.

As can be seen from the body of the report our participation in entrepreneurial development activities has been wide and varied. Other than the Start a Business Programme, which is Province-wide, there are few large, and funded programmes available to local enterprise agencies. As a result, competition is stiff for delivery of programmes that are available and many of these result in joint efforts by a number of agencies, of which we are one. To complement these activities we have developed and implemented a number of local initiatives which we have either financed or part-financed having identified a co-funder. In the past year we have invested some twenty-five thousand pounds in such activities which are aimed at entrepreneurial and business development.



We are pleased to again record that our occupancy levels for workspace have hovered around one hundred percent. Despite prolonged endeavour we have been unable to obtain a suitable site for further expansion and so we have re-examined our existing resources. As a result we have decided to redevelop our administration block so as to provide an additional three thousand square foot of state of the art office, conference and meeting facilities for local businesses. Completion is planned for early 2009 at an estimated cost in the region of one million pounds.

We are particularly indebted to the contribution of our staff to the success of the Company. The dedication and professionalism of our Chief Executive, Aisling Owens, and her staff has enabled the Board to achieve its objectives.

I am particularly grateful for the guidance, foresight and business skills of our volunteer Directors in achieving this year's results but I would also pay tribute to current and past Directors who have served the Company over the past seventeen years. It is with pride therefore that, this year, the Board of Lisburn Enterprise Organisation (Past and Present) received the Award for Commitment to Lisburn in recognition of the outstanding contribution made to local enterprise and business development. Congratulations and thanks are due to all of those who have given their time and expertise over the years.

Desmond T Magill
Chairman
13 May, 2008

INTRODUCTION

THE BOARD OF DIRECTORS HAS PLEASURE IN PRESENTING THE EIGHTEENTH ANNUAL REPORT



BOARD OF DIRECTORS

At the Seventeenth Annual General Meeting of the Company held on 8th May 2007, in accordance with the Articles of Association of the Company, the following Directors retired:

RS Briggs
R Catney
N Fenton
W Gardiner-Watson

The following were elected to the Board:

RS Briggs	W Gardiner-Watson
R Catney	K Morrow
N Fenton	

COMPOSITION OF THE BOARD

As at 8th May 2007, the membership of the Board was as follows;

Mr R Samuel Briggs	Mrs Jean E McQuitty
Mr Robert Catney	Mr Desmond T Magill
Mr Nicholas Fenton	Mrs K Morrow
Mr William Gardiner-Watson	Mr Andrew Robinson
Mr I Stanley S McBrien	Dr Samuel Semple
Mr John McGuigan	

At the One Hundred and Seventy First Meeting of the Board held on 12th September 2007 Mr Frazer C McCammond was co-opted as a Director to the Board.

ELECTION OF OFFICERS

At it's One Hundred and Seventieth Meeting on 12th June 2007, the Board elected the following Officers:

Chairman	-	Mr Desmond T Magill
Company Secretary	-	Mr Frazer C McCammond
Financial Director	-	Mr I Stanley S McBrien

BOARD MEETINGS

Ten Board Meetings took place during the year.

COMMITTEE MEETINGS

The Management, Project and Development Committees under the respective Chairmanship of Mr Nicholas Fenton, Mr R Samuel Briggs and Mrs Jean E McQuitty met regularly throughout the year.

ROTATION OF DIRECTORS

In accordance with the provisions of Articles 32, 33 and 34 of the Articles of Association of the Company, one-third of the number of Directors shall retire from office at the Annual General Meeting and shall be eligible for re-election. The retiring Directors at the Eighteenth Annual General Meeting shall be:

Mr John McGuigan
Mr Desmond T Magill
Dr Samuel Semple
Mr I Stanley S McBrien

In accordance with Article 38 of the Articles of Association of the Company, Mr Frazer C McCammond retires from office at the Annual General Meeting.

Being eligible, Mr John McGuigan, Mr Desmond T Magill, Dr Samuel Semple, Mr I Stanley S McBrien and Mr Frazer C McCammond offer themselves for re-election.

APPOINTMENT OF AUDITORS

At the Seventeenth Annual General Meeting of the Company on 8th May 2007, the firm of Hanna Thompson and Co., Chartered Accountants, Lisburn were re-appointed as Auditors to the Company for the year ending 31st December 2007.

APPOINTMENT OF SOLICITORS

At the Seventeenth Annual General Meeting of the Company on 8th May 2007, Mr Ian MacCorkell, Lisburn was re-appointed as Solicitor to the Company for the year ending 31st December 2007.



ENTERPRISE AWARENESS

As part of the NI Accelerating Entrepreneurship Strategy, Lisburn Enterprise Organisation was appointed as one of the local Points of Presence and new signage illustrating this new important status was introduced.

A number of initiatives raising local awareness of enterprise and entrepreneurship were delivered during the year. These included staging advice clinics and roadshows at the Balmoral Show as well as presentations to local community groups and special interest groups such as students in local schools and colleges.

Lisburn Enterprise Organisation joined forces with Young Enterprise NI to work with students at Lisnagarvey High School to help them set up and run their own mini-company as part of an introduction to enterprise programme.

As part of National Enterprise Week, LEO, along with colleagues in Glenwood Business Centre and Lisburn City Council, held the sixth annual Celebration of Enterprise. Local entrepreneurs were presented with certificates marking their participation in the Start a Business Programme and were inspired by Michael McQuillan managing director and co-founder of the award-winning 'the streat' coffee shops. Michael charted the ups and downs of his eight years in business and shared his franchising ambitions for the future. Also speaking at the event and sharing her experience of recent entrepreneurship was Lisa Nicholson of Tatty Bumpkin.



BUSINESS START UP

START A BUSINESS PROGRAMME

Lisburn Enterprise Organisation continued to offer the Start a Business Programme this year. This programme offers a comprehensive package of support to those people considering establishing a business venture. Services include business advice, business skills training and one-to-one business and ICT mentoring. Participating clients were also able to avail of financial assistance in the form of grant aid and unsecured business loans, as well as subsidised websites.

During the year 436 people enquired about starting a business in Lisburn City Council area. Over 300 people availed of training in aspects of marketing and finance and one-to-one business counselling and advice. Almost twenty-five percent of participants were registered as economically inactive i.e. unemployed, retired, looking after the home.

One hundred and fifty four businesses were started during the year, including 29 part-time ventures contributing two hundred and fifty four new jobs locally. The majority of these businesses are locally (NI) focussed, although some do have export ambitions. Almost two thirds of these new businesses are in the service sector, reflecting the status of the local economy.

STEPS TO WORK

The Department of Employment & Learning has been reviewing its back to work support aimed at unemployed adults and the methods of delivery in an attempt to build on the success of its former New Deal programmes. The key objective is to introduce greater flexibility and, in working in partnership with local agencies and employers, tackle local problems that prevent more people moving from benefit dependency into work.

As a result, advisers from Lisburn Enterprise Organisation have been assisting the Department in piloting a new flexible menu based approach, known as Steps to Work, to address each individual's needs or barriers to employment. Eight clients have availed of this pilot service.

HIGHLIGHTS

ENTERPRISE IN EDUCATION

The LEO Board has endorsed a partnership with the newly formed South Eastern Regional College to work collaboratively in promoting an enterprise culture to students and encouraging young entrepreneur led business start ups. To this end, Lisburn Enterprise Organisation has committed resources to develop a range of initiatives specifically aimed at this target group.

SANMINA CLOSURE

The local Lisburn economy suffered a major blow with the closure of the US owned Sanmina factory and the loss of almost 300 jobs. Advisers in Lisburn Enterprise Organisation worked in conjunction with officials from Lisburn City Council and the Department of Employment & Learning to provide outreach services to those facing redundancy, some of whom had worked in the Ballinderry Road factory for twenty years. A number of workshops and individual advice sessions were conducted onsite and workers were able to avail of relevant business skills training.

BUSINESS DEVELOPMENT

GO FOR GROWTH IV

This business advancement programme has proven very successful with Lisburn businesses over the past number of years. This year proved no exception with the programme being featured by Eddie O'Gorman - Business Editor BBC Radio Ulster. The aim of Go for Growth IV was to guide businesses through a period of growth while



managing risk and maximising opportunities. This year we introduced the Business Juggler, a planning and improvement tool based on the EFQM model and participating businesses were given objective feedback on their business strengths and a benchmark position relative to others operating in the same industry. The model also highlighted nine areas for business improvement.



The programme of support complemented the business improvement plan with a menu of options clients could select from. The options included training, specialist technical advice and mentoring. Some of the support provided to clients included the development of sales leads, mystery shopping exercises and market research. As at the six month post evaluation stage, all participating businesses confirmed that their business competence had improved and increased sales revenues and/or business efficiencies had contributed to enhanced profitability in all cases. Seventy five percent of participating businesses had made successful tenders for new work as a result of the programme, three businesses had engaged in exporting for the first time and eight new jobs had been created.

INVESTORS IN PEOPLE GROUP SCHEME

The Success through Skills Strategy, launched by the Department for Employment & Learning in 2006, identified the need improve the skills levels of the NI workforce. In 2007, the Minister for Employment & Learning, Sir Reg Empey, explained that the Investors in People (IIP) framework is an ideal business improvement tool that helps organisations to compete and succeed through improved people performance. He added, "Investors in People recognition should not be seen as the end of a project, but rather the beginning of a sustained commitment to long-term business improvement through employee development."

In response to this, Lisburn Enterprise Organisation forged a partnership with DEL to launch a group scheme offering local businesses the opportunity to work collectively towards recognition as Investors in People. Two business advisers have participated in the Engaging in IIP Programme and will act as ambassadors for the Standard and, with the support of Lisburn City Council, seven local businesses committed to the business improvement process.

TRADELINKS

The Tradelinks initiative provides an opportunity for micro-businesses to take the first vital steps in trading outside the local market and in growing market opportunities through a package of tailored mentoring and financial assistance. Bespoke mentoring and training opportunities in a range of business disciplines including financial management, image

and promotion, business planning and systems and administration were offered to eight local businesses. Tradelinks is managed and delivered jointly by Local Enterprise Agencies in NI and County Enterprise Boards in the border region of the Republic of Ireland.

RURAL LISBURN REGENERATION PROGRAMME

The fundamental aims of this initiative, funded by Lisburn LEADER Ltd, were to encourage rural business development and diversification, promote new employment opportunities in rural Lisburn, to increase farm income levels and to provide training programmes to the rural community in order to enable the uptake of development opportunities. As part of the programme advisers from LEO delivered a tailored training programme to rural entrepreneurs. Additionally, business mentoring was provided to a number of promoters making applications for funding. One client, Rockmount Golf Club, was successful in attracting £20,000 for the expansion of their business.

ONLINE SELLING EVENT

The opportunity to learn more about selling products and services online was welcomed by local businesses who attended an Online Selling Event, hosted by Lisburn Enterprise Organisation in conjunction with Invest NI E-business advisers. The practical workshop highlighted some of the technologies and techniques that can be utilised when selling products online including payment processing, shopping cart solutions, website optimisation and online marketing.

BUSINESS WISE SERIES

The Business Wise Series continued this year with monthly networking events taking place during the period from January to May 2007. A range of professionals shared their knowledge and expertise in focused seminars targeting the most problematic, and often bureaucratic, areas facing businesses. The seminars were designed to provide practical tips and expert advice and covered such areas as online marketing, the legal aspects of trading, credit and financial control.

TRADELINKS NETWORKING EVENT

This breakfast event featured guest speaker Gerry Faloon, finalist in the BBC Master Chef, professional comedian and entrepreneur. His recipe for dealing with various business challenges entertained and motivated the twenty-five businesses represented.

MICROTRADE MEET THE BUYERS EVENT

Under contract to MicroTrade, Lisburn Enterprise Organisation hosted fourteen businesses in a trade delegation from the Republic of Ireland to Belfast in early December. The primary focus of the participating



businesses was to identify new market opportunities and forge new business relationships across the island of Ireland. The businesses represented a range of industries from IT to engineering and included Netwatch, a finalist in the 2007 Ernst & Young Entrepreneur of the Year and Moneypoint, who with their range of cash management products and services support the counting of €50million every day.

The fourteen businesses that travelled from Wexford, Carlow and Waterford took part in over eighty meetings throughout the day with industry experts, prospective customers from the public and private sector, in addition to potential business partners. Participating NI businesses included Translink, Coca Cola, Bombardier, Northern Bank and White Young Green. Advisers from HMRC, Invest NI and the All Island Software Network and the CBI supported the event providing guidance on local market conditions.

Initial feedback indicates deals being negotiated by several of the companies who approximate future revenues in the region of €600,000 over the next two years as a direct result of their involvement in this event.

SOCIAL ENTREPRENEURSHIP PROGRAMME

Lisburn Enterprise Organisation recognises that a society that features only business entrepreneurs would lack balance and a strong community spirit. Social entrepreneurs can add to the creation of a more diverse economy while also contributing to economic growth. Social enterprises operate to a commercial business model but also focus on delivering economic, social and environmental benefits to

HIGHLIGHTS



society. The social economy sector in Northern Ireland is comparable in size to that of the tourism or construction industries and produces between five and eight percent of economic activity.

Invest NI's Social Entrepreneurship Programme focuses on helping social entrepreneurs build capability and innovation in their business. As part of this initiative mentors from Lisburn Enterprise Organisation provided support to such local organisations as Ascertain and Stepping Stones to assist them in developing new business growth strategies. Start up support has also been provided to local group Success Foundation in establishing their new business, Unlimited Success, a training company specialising in the area of life skills and people development and providing services to the community sector and corporate clients.

UCIT NETWORKS PROGRAMME

Advisers also worked on the UCIT NetWORKS Programme, a cross-border initiative providing training and mentoring to local social enterprises. The emphasis of intervention from Lisburn Enterprise Organisation mentors was to assist enterprises develop sustainability through better business planning. Clients included Mount Zion House in Lurgan.

BUSINESS SUPPORT

WORKSPACE

High levels of demand continued to be recorded during the year for the provision of workspace accommodation on flexible terms, with occupancy rates consistently above 95%. The property portfolio now includes 78,000 sq ft of lettable workspace in 124 units ranging from 200-2000 sq ft. At the end of December almost 460 people were employed by the 94 businesses located in the Centre.

Environmental issues are a shared concern for many of the businesses on site and this year a cardboard baler was installed in response to demand expressed by licensees. As at the end of December almost 3.5 tonnes of cardboard had been recycled.

Of particular note this year was the significant number of licensees

that have 'outgrown' the Enterprise Centre and moved into premises of their own. One such client is 2b Creative who began trading from a 500 sq ft unit in 2002 and in August of this year invested in their own property in the newly developed Garvey Studios.

Following unsuccessful attempts to secure a new site on which to develop more workspace, in June 2007 the Board of Lisburn Enterprise Organisation decided to redevelop the existing administration block in the Enterprise Centre. The proposed new development will incorporate 3,000 sq ft of prestigious serviced office accommodation, high tech conference and meeting facilities for local businesses and the administrative and business advisory functions of Lisburn Enterprise Organisation. Planning permission was granted for the new development in December 2007.

LOAN FUNDS

Lisburn Enterprise Organisation continues to operate the ENI Loan Fund, an unsecured source of finance for both new and existing businesses. Despite a plethora of competing products available to the entrepreneur, demand for this service remained steady and this year over £25,000 was lent to a range of businesses.

VIRTUAL OFFICE

A new virtual office service was launched this year. The virtual office provides a professional telephone answering service, mail boxes and the full range of secretarial services to those entrepreneurs who don't have a full-time secretary or receptionist, are perhaps running a business from home and wish to retain their family privacy or those businesses seeking to establish their first base in the Northern Ireland market.

STAFF

The Board of Directors wishes to record its appreciation of the dedication during the year of Aisling Owens, Chief Executive and all the staff. The Company is committed to developing and training its staff, thus contributing to the provision of the highest quality of service to its clients. Congratulations are offered to staff who were successful in attaining a place on the prestigious Leaders for Tomorrow Programme and attained academic qualifications such as an MSc Marketing & Entrepreneurship.



CO-OPERATION & PARTNERSHIP

The Board of LEO welcomed a number of distinguished guests during the year.

In February Jeffrey Donaldson MLA attended a presentation on the work of Lisburn Enterprise Organisation and visited a couple of businesses on site. He applauded the Board and staff for their strategic vision in developing responses to the challenges of local economic development that had proven to be appropriate, measured and highly successful in stimulating enterprise over the previous fifteen years.

Edwin Poots MLA met with representatives of the Board in his capacity as Chairman of the Maze/Long Kesh Implementation Panel to share his views for the future of the Maze site and express support for Lisburn Enterprise Organisation's proposals for a strategic development in partnership with other local stakeholders on the site.

LEO also hosted a delegation from Kosova including the Minister of Trade & Industry and the Chief Executive of their Investment Promotion Agency. This visit follows a commitment from the Board of Lisburn Enterprise Organisation to share best practice and offer support to local groups in Kosova engaged in establishing an Enterprise Centre. Visitors from South Africa were also welcomed.

LEO continues to contribute significantly to a range of other initiatives within the City of Lisburn and further afield - Voluntary Services Lisburn, Lisburn Strategy Partnership and the NI Social Economy Network. Lisburn Enterprise Organisation remains a dynamic and enthusiastic member of Enterprise Northern Ireland and is instrumental in the delivery of many of its initiatives.

As part of its contribution to the wider community which it serves, Lisburn Enterprise Organisation supported Lisburn Historic Quarter Arts Group in delivering a varied programme of arts and cultural events throughout the year. Events included an evening celebrating the generous donation by acclaimed Ulster artist Neil Shawcross of fifty signed original, limited edition, screen prints to the group. The evening was a major success

with over one hundred people attending the event including Minister for Culture, Arts and Leisure Edwin Poots, His Worshipful the Mayor of Lisburn Cllr James Tinsley and a host of local artists and collectors. The sale of prints has raised £15,000 towards the commissioning of a piece of public art commemorating the Tercentenary of the Great Fire of Lisburn. A very successful series of lunchtime recitals and concerts featuring artists such as Clara Costley, Meadh McGinley and John D'Arcy was also run on behalf of the group during October and November.

The Board of Directors welcomes the exceptional relationship that exists with our enterprise and economic development partners, namely Lisburn City Council and Invest NI.

AWARDS

The Board of Lisburn Enterprise Organisation (past and present) was honoured with the Commitment to Lisburn award in recognition for the outstanding contribution made to local enterprise and business development. It is estimated that LEO has facilitated, encouraged and enabled client businesses create a staggering 3,000 jobs locally. Directors have made this achievement possible with the input of over 20,000 voluntary hours of professional expertise since the Company inception in 1990. The award was presented at a Gala Ball in Lisburn Civic Centre and accepted on behalf of the Board by Dr Semple, Andrew Robinson and Frazer McCammond.

THANKS

The Board of Directors record thanks to the members of the Company for the privilege of serving them during the year and trusts that they have merited the confidence placed in it.

Frazer C McCammond
Company Secretary
13th May 2008

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LISBURN ENTERPRISE ORGANISATION LTD.

We have audited the accounts of Lisburn Enterprise Organisation Ltd for the year ended 31 December 2007 which have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Article 243 of the Companies (Northern Ireland) Order 1986. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the statement of Directors' responsibilities, the Directors, who also act as trustees for the charitable activities of Lisburn Enterprise Organisation Ltd, are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies (Northern Ireland) Order 1986. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read other information contained in the Directors' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

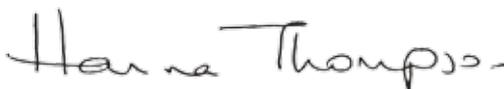
BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

OPINION

In our opinion the accounts give a true and fair view of the charitable company's state of affairs as at 31 December 2007 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986.



Hanna Thompson

Chartered Accountants
Registered Auditor
Century House
Enterprise Crescent
Ballinderry Road
Lisburn
BT28 2BP

13th May 2008

STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER 2007

	Unrestricted Funds £	Designated Funds £	Total 2007 £	Total 2006 £
Incoming resources from generated funds				
Investment income	24,600	-	24,600	14,996
Incoming resources from charitable activities.	547,398	-	547,398	563,929
Total incoming resources	571,398	-	571,398	578,929
Resources expended				
Charitable activities				
Programme expenditure	25,543	-	25,543	38,748
Governance costs	389,953	92,520	482,473	467,368
Total resources expended	415,496	92,520	508,016	506,116
Net income/(expenditure) for the year/ Net movement in funds				
	156,502	(92,520)	63,982	72,779
Fund balances at 1 January 2007	1,380,274	1,249,457	2,629,731	2,556,952
Fund balances at 31 December 2007	1,536,776	1,156,937	2,693,713	2,629,731

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies (Northern Ireland) Order 1986

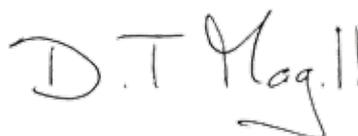
	£	2007 £	£	2006 £
Fixed assets				
Tangible assets		2,173,376		2,299,054
Current assets				
Debtors	41,532		61,878	
Cash at bank and in hand	654,501		449,324	
	696,033		511,202	
Creditors: amount falling due within one year	(175,696)		(180,525)	
Net current assets		520,337		330,677
Total assets less current liabilities		2,693,713		2,629,731
Income funds				
Restricted funds		1,156,937		1,249,457
Unrestricted funds		1,536,776		1,380,274
		2,693,713		2,629,731

These financial statements have been prepared in accordance with Part VIII of the Companies (NI) Order 1986 as applicable to small companies.

The accounts were approved by the Board on 13 May 2008



Mr I Stanley S McBrien
(Financial Director)



Mr Desmond T Magill
(Chairman)



Lisburn Enterprise Organisation Ltd. Enterprise Crescent, Ballinderry Road, Lisburn BT28 2BP
t. +44 (0) 28 9266 1160 f. +44 (0) 28 9260 3084 e. centre@lisburn-enterprise.co.uk



ANNUAL REPORT 2007



LISBURN ENTERPRISE ORGANISATION