NEWRY & MOURNE
CO-OPERATIVE

ANNUAL REPORT 2009-10

WIN - Work In Newry & mourne

Newry and Mourne Co-operative Limited
incorporating
Newry and Mourne Developments Limited and
Newry and Mourne Enterprise Agency

Newry and Mourne Co-operative is a Charity
(Charity number: XT25288).

NEWRY & MOURNE
CO-OPERATIVE

ANNUAL REPORT
2009-10

STAFF / AGENDA

NEWRY & MOURNE CO-OPERATIVE

incorporating
NEWRY & MOURNE ENTERPRISE AGENCY
www.nmea.net
presented at the thirty-sixth Annual General Meeting of NEWRY & MOURNE CO-OPERATIVE LIMITED incorporating NEWRY & MOURNE ENTERPRISE AGENCY and NEWRY & MOURNE DEVELOPMENTS LIMITED
Held at WIN Conference Centre, Newry at 5.30pm on 7th December 2010.

AGENDA

1. Chairman's Business: The dedication of the "Joe Magill Suite" at WIN Conference Centre.
2. Apologies.
3. Minutes of last Annual General Meeting.
4. Chairman's Report.
5. Enterprise Agency Report.
6. Financial Director's Report.
7. Auditor's Report.
8. Elections to Board of Directors.
9. Election of Corporate Representatives to Annual General Meeting of Newry and Mourne Developments PLC.
10. To re-appoint Fitzpatrick & Kearney Accountants as Auditors to the company.
11. Guest speakers.

By Order of the Board, Kevin Starrs, Hon. Secretary.

BOARD OF DIRECTORS

Chairman: John MacMahon
Vice-Chairman: Peter McEvoy
Secretary: Kevin Starrs
Directors: Michael Hughes, Gordon Coulter, Jim McCart, Peter Fitzsimmons, Dr Conor Patterson, Kevin Magill, Ronan Dennedy, Davy Hyland, Councillor Geraldine Donnelly and Brendan Jackson (joined the Board in February 2010).

Staff co-optee: Kieran Mathers.

BANKERS

Ulster Bank, Hill Street, Newry.

AUDITORS

Fitzpatrick & Kearney,
10c Marcus Square, Newry.

SOLICITORS

Donnelly, Neary & Donnelly,
Downshire Road, Newry.

Newry & Mourne Co-operative Staff 2009/2010

Dr Conor Patterson	Chief Executive
Liam Quinn	Financial Controller
Kieran Mathers	Tradelinks Programme Manager
Jennifer Malone	Business Development Executive (Property)
Colin Hanna	Information, Research and Computer Technology Co-ordinator
Stephen McClelland	Social Economy Advisor
Pauline Coghlan	Business Client Manager
Paul McCormack	M1 Manufacturers Programme (left June 2009)
Barbara Whitfield	Senior Business Development Executive (left July 2009)
Jane Magill	Tradelinks Administrator
Patricia Phillips	Office Services Co-ordinator
Maria Coyle	Finance Officer
Michelle Frost	Receptionist
Maeve McParland	Assistant Business Development Executive
Danny Hughes	Caretaker.

Newry and Mourne Co-operative is a Charity (Charity number: XT25288).

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WIN - Work In Newry & mourne

CHAIRMAN'S MESSAGE

2009-2010

20009/2010 was a very challenging year economically for the Newry and Mourne District and the island of Ireland. It was a year when the Co-operative's mission was put to the test more sharply than at any time since the 1990s in that resources were very constrained while demand for advice from prospective entrepreneurs, stressed owners of existing businesses and tenants was greater than ever. The Co-operative Board decided that it should not dilute its commitment to its founding mission to create Work In Newry and Mourne and this is reflected in the profit and loss account for the year: every pound was committed to defending the area's economy. To secure its mission for the long term the Board successfully applied for charitable status during the year. As well as providing tax and rates exemptions, low cost software licences and other cost savings, for prospective financial donors, especially businesses wishing to exercise their corporate social responsibility, charities offer very effective gift aid opportunities. Charitable status is also understood worldwide and leaves no doubt as to the purpose of an organisation. Meanwhile, the staff employed by the Co-operative voluntarily gave back a proportion of their wages, two years running, to support the work of the organisation – evidence of the extent of their vocation .

During the year the organisation secured £254,000 in funding to put a new roof on the extensive A Block at WIN Business Park and to refurbish the conference facilities at WIN, the main suite of which is to be dedicated at this year's AGM to the memory of my friend and Board colleague, Joe Magill. With our partner Kilkeel Development Association we also opened a new £400,000 block of industrial units at the Binnian Enterprise Centre in Kilkeel. The Board also took the decision to make a site available to a Housing Association for the development of much needed social housing in Newry and to generate capital which could be re-invested in further economic development in the area.

In 1994 I became Co-op Chairman for the first time. I reflected then that the aim of those who had founded the Co-op 21 years before was to "assist in the creation of wealth and employment in Newry and Mourne." This is still the guiding principle of the organisation. I am very proud that in my 16 years as Co-op Chairman, WIN Business Park doubled in size, two large greenfield sites were developed into new business parks, one at Flurrybridge, the other at Kilkeel harbour, Warrenpoint Enterprise Centre increased its size by 75% and the Co-op took on the management of a new Enterprise Centre in Forkhill. The income from property which is the Co-op's primary source of independent funds to support its mission increased as a result from £99,000 in 1998 to £409,000 in 2009/2010. Those monies were used to lever a range of Government, District Council and EU programmes and funds to support the establishment of almost 2,000 new businesses in Newry and Mourne creating almost four thousand new jobs and tens of millions in new wages and spend in the local economy every year. In addition, the Enterprise Agency supported hundreds of established local businesses to grow their markets south of the border and investigate business opportunities overseas. Through the Socio-Economic Forum, the District Partnership, the Local Strategy Partnership and the Greater Newry Vision Partnership, the Co-op has made a further significant contribution to the transformation of the Newry and Mourne economy; while the Regeneration of the Canal Street Area Programme has rejuvenated the area around WIN Business Park.

During the past year all five of the enterprise centres and business parks which the Enterprise Agency manages were more than 95% occupied at a time when many private facilities were struggling with closures and lack of interest. This was attributable to the Board's policy of offering good value and a quality supportive environment. There is also no doubt that a crucial factor was the success of our staff in attracting tenants and in retaining them by helping them to stay viable and indeed in many cases to expand. This is the model which the Co-operative pioneered at WIN and which has been adopted across Northern Ireland and in many parts of the European Union: workspace supported by business advice professionals with the primary objective of developing local businesses rather than maximising profit.

The Co-op is nothing if not resilient. It never lost its sense of purpose, not in the dark days when almost a third of the working age population in our District was unemployed; and it will not do so now. We will not limit our ambition. Our focus now is on ensuring that the progress we have made in developing our economy in Newry and Mourne will continue. To that end we have given priority to working with other local stakeholders, pooling our resources where necessary for the benefit of our people.

The Co-operative has been active in promoting cross-border trade and co-operation for many years. With the economic crash in the South the prospect for inter-trade between the two jurisdictions on the island may seem bleak. Yet our Tradelinks programme has been more active than ever with 16 local businesses this year developing their markets south of the border with Agency help.

It is a time across Ireland for the true meaning of citizenship to be re-discovered. It is a time for people, particularly those in business, to adopt for the long term those principles on which the Co-op and the Credit Union movement were founded and which remain at the heart of their strategies. The betterment of our community is our common purpose not profit-maximisation. It is now widely acknowledged, if unfortunately belatedly, that the obsessive pursuit of profit, particularly by the banks, feeding on a rising tide of greed and selfishness in society, is what led to the demise of the "Celtic Tiger".

My fellow Board directors continue, I believe with more purpose than ever, to voluntarily commit their experience and judgment to the Co-op's mission. I want to thank them and I also want to acknowledge the continued dedication of our executive team led by our Chief Executive, Dr. Conor Patterson. I would also like to thank Newry & Mourne District Council, Invest Northern Ireland, the Department of Social Development, the Louth County Enterprise Board and the European Union who have provided support during the year for the Co-operative's activities.

John MacMahon, 7th December 2010

Section 1

PROVISION OF WORKSPACE

09-10 THE ENTERPRISE AGENCY ACTIVITY REPORT

The launch of the WIN refurbishment project in June 2009. Pictured are members of the Co-operative Board, DSD officials and Gerry O'Reilly, Chairman of the Newry Neighbourhood Renewal Partnership.

THE ENTERPRISE AGENCY DIVISION'S Mission Statement is "to contribute to the growth and prosperity and thus the social and political stability of the Newry & Mourne region by undertaking enterprise, business, economic and community development initiatives independently and in partnership with others"

Our two main objectives are:

1) To increase the stock of new businesses and increase the competitiveness of existing businesses in the Newry & Mourne area; and
2) to assist in the strategic development of the region by advising on the efficient allocation of resources, promoting the region as an investment location, and contributing to central and local government policy-making.

The range of initiatives which we are now involved in are outlined in this Report under the following headings:

- Provision of workspace
- Development of new business and employment
- Cross border partnerships and trade development
- Community development
- Influencing policy and promoting the region
- Enterprise Northern Ireland

1. PROVISION OF WORKSPACE

1.1 Affordable workspace - vital economic infrastructure

In 2009/2010 WIN Business Park, Warrenpoint Enterprise Centre, Flurrybridge Enterprise Centre in South Armagh, Binnian Enterprise Centre in Kilkeel and the RDC at WIN provided 166 light industrial and office units, occupying approximately 172,892 sq. ft. and employing approximately 520 people.

1.2 Expanding and improving workspace provision

In December 2009 a £254,000 re-roofing of the "A" block at WIN and an upgrading of the conference facilities at Enterprise House was completed. The project was funded by the Department of Social Development. This project allowed five industrial units which had been vacant because of roof leaks to be let. It has also consolidated WIN's position as a venue for business events.

In January 2010 a new £400,000 block was opened by the Rural Development Minister, Michelle Gildernew. The Centre is owned by Binnian Developments Ltd, a joint venture company formed between Newry and Mourne Co-operative and Enterprise Agency and Kilkeel Development Association. It is managed by the Enterprise Agency.

Together with the Forkhill Area Development Association (FADA) and Newry and Mourne District Council the Enterprise Agency lobbied for part of the site of the former military base in Forkhill to be developed into an Enterprise Centre. Later in 2010 the site was secured from the Ministry of Defence by the Department of Agriculture and Rural Development with a view to its being re-developed by a community-based partnership of which the Enterprise Agency would be a part. Meanwhile, the Enterprise Agency continued to manage the existing Forkhill Enterprise Centre on behalf of the Forkhill Area Development Association.

During the year further efforts were also made to secure a site to develop a community enterprise centre at Carnagat in Newry, as a joint venture between the Co-operative and the Carnagat Community Association.

2. BUSINESS DEVELOPMENT AND EMPLOYMENT CREATION

In 2009/2010 the Enterprise Agency provided a comprehensive service package to support business development in Newry & Mourne:

2.1 Business Start training and counselling

Developing the skills of business owner/managers is the key to their future business success. In April 2009, following an EU-wide tendering exercise the Enterprise Agency and the rest of the Enterprise Northern Ireland network of Enterprise Agencies along with the six Northern Ireland Further Education Colleges were appointed by Invest Northern Ireland to deliver the new Enterprise Development Go-For-It Programme. The Go-For-It Programme offers people considering self-employment the opportunity to access specialist advice and training. It is a free and confidential

Section 2

BUSINESS DEVELOPMENT AND EMPLOYMENT CREATION

WIN - Work In Newry & mourne

Launching the new Go-For-It Programme, Conor Patterson with Invest Northern Ireland Southern Regional Manager, Mark Bleakney and John Quinn, Director of Business and Community Support at Southern Regional College.

The Agency's Go-For-It Client Manager, Pauline Coghlan and Thomas Mallie, owner-manager of Energy Ireland, who was assisted by the Programme.

The Agency's Social Enterprise Advisor, Stephen McClelland with Pawsitive a social enterprise which provides therapeutic services with animals for humans suffering from mental health, learning disability and physical disabilities; as well as seeking to raise awareness of animal welfare issues and the relationship to human welfare.

service. The objectives of the Programme are to:

- Raise the number and quality of business starts in Northern Ireland.
- Provide support to all entrepreneurs including those who will trade exclusively within the local market.
- Increase survival rates for all new starts.
- Provide one-to-one assistance to those with growth potential.
- Stimulate a more enterprising society through promotion of business ownership and profiling of local entrepreneurs.

Pauline Coghlan is the Programme's Client Manager in Newry and Mourne and Liam Quinn provides specialist finance training and advice. During the year we provided business counselling to 422 local people, which means that a total of 7,941 people in the Newry and Mourne area have availed of this service since 1984.

Under the Go-For-It Programme from April 2009 to March 2010 we provided:

- 6 Pre-start awareness events.
- 81 Start-up training sessions.
- 28 Specialist business clinics for start-ups.
- 10 Growth training sessions
- 11 Specialist business clinics for growth businesses.
- 266 hours of one-to-one mentoring support

As a result of this support 104 new businesses were established during the year in the Newry & Mourne District despite the difficult economic climate creating an estimated 177 jobs and a combined annual turnover of £4.2m.

An evaluation by KPMG found that the survival rate of these early stage businesses was 80%, which is very encouraging given the prevailing economic challenges. 36% of these entrepreneurs were females and 64% males. Of the 422 prospective entrepreneurs who were given advice, 40% were previously unemployed. Of the businesses which did set up, on average 11.5% were in professional services, 7.8% in retailing, 2.5% in childcare/healthcare, 2% in construction, 2% in the "green" sector, 5.8% in catering and hospitality, 3.4% in ICT, 5.45% in personal services, 2.65% manufacturing and the remainder were categorised as "other".

Through the Start A Business and Go-For-It Programmes between April 2001 and March 2010 the Enterprise Agency has helped 1,401 new businesses to set-up in the District creating 2,863 jobs generating tens of millions in additional income within the local economy every year.

2.2 The Growth Programme

During the year the Agency also co-ordinated a partnership of Local Enterprise Agencies and Further Education Colleges which delivered an Invest Northern Ireland-funded "Growth Programme" across the Southern Region targeting established businesses with

Section 2

BUSINESS DEVELOPMENT AND EMPLOYMENT CREATION

Stephen McClelland with committee members of the Newry Rainbow Coalition, an emerging social enterprise.

growth potential in terms of employment and sales in export markets. Of the growth businesses which were supported under the Programme, the majority were involved in manufacturing and had been trading on average for 7 years. Four of these have since been accepted as Invest Northern Ireland clients. A further 23 existing businesses were supported during the rest of 2010, with the aim of having another 5 adopted as clients by Invest Northern Ireland for more substantial assistance.

Directors of the Cnoc na Feola Centre in the Mournes which was supported by the Enterprise Agency through the Social Entrepreneurship Programme.

2.3 The Social Entrepreneurship Programme

In March 2009 the Enterprise Agency was appointed following an open tendering exercise to deliver the Invest NI-funded Social Entrepreneurship Programme in the Southern Region (i.e. in the District Council areas of Newry & Mourne, Banbridge, Craigavon, Down and Armagh City and District). The Programme became operational in July 2009. Its objective is to help community-run social enterprises to develop into sustainable businesses.

"Social Enterprises" are non-profit-taking public-good organisations running commercial activities to generate income for their mission. During the rest of the year, 28 such social enterprises were supported through the Programme, including:

- **Ballyholland GAC**
- **Cairde Armagh**
- **Confederation of Community Groups**
- **Appleby Print Careers Ltd**
- **Mourne Hostel Attical**
- **Wald Centre Cullyhanna**
- **The Southern Area Hospice**
- **South Armagh Childcare Consortium**
- **Edenderry Ministries Portadown**
- **NI At Play Lurgan**
- **USPCA**
- **Enable Banbridge**
- **React Armagh**
- **Helping Autism in Newry and District**

An Innovation in Micro-Enterprises EU Partnership meeting at WIN in November 2009. Pictured with partners from Germany and Romania are Sean McEntee of Dundalk Institute of Technology and Kieran Fegan of Southern Regional College.

Section 3

CROSS BORDER PARTNERSHIPS AND TRADE DEVELOPMENT ACTIVITIES

WIN - Work In Newry & mourne

The IIME partners from Germany, France and Romania meeting Internet Technology Solutions (ITS) a tenant business at WIN Business Park, Newry.

3. CROSS BORDER PARTNERSHIPS AND TRADE DEVELOPMENT ACTIVITIES

3.1 The Tradelinks Programme

(A partnership between Enterprise Northern Ireland and the six County Enterprise Boards in the Irish Republic located along the border)

Enterprise Agency staff, Kieran Mathers (Programme Manager) and Jane Magill (Programme Administrator), manage the Tradelinks II Programme on behalf of the Enterprise Northern Ireland network of Local Enterprise Agencies and the Border County Enterprise Boards. Tradelinks II is providing £3m of support to micro-enterprises across Northern Ireland and the six border counties in the Republic up to September 2012 with an option for an extension to 2015. The Programme's objectives are to:

- address barriers to cross-border trade;
- enhance employment generation opportunities;
- develop the exporting capability of local companies;
- investigate the opportunities afforded by new technologies and new markets;
- assist with new product development.

The Programme is funded by the Interreg IVa Programme. Its delivery to Newry and Mourne-based companies which began in December 2009 will support 32 local companies from Newry and Mourne up to 2012. In 2010 16 local companies were being supported.

Tradelinks, which was conceived by Newry and Mourne Enterprise Agency and which is now managed 12 county-wide by the Enterprise Agency team, is the largest initiative supporting cross-border trade in Ireland. Its success has been recognised with the submission by the Special EU Programmes Body of the Programme as the Northern Ireland/Republic of Ireland candidate in the prestigious "Regio Stars" awards which are awarded by the European Commission to projects which demonstrate best practice.

3.2 Leonardo Transnational Innovation In Micro-Enterprises Programme

In November 2009 the Agency launched in Newry the Innovation In Micro-Enterprise (IIME) transnational partnership with funding support from the EU Leonardo Programme. The Agency's partners in this initiative are the Louth County Enterprise Board, the world-renowned German Fraunhoffer Institute, an associate of the INSEAD Management School in Paris and the University of Bucharest.

Kieran Mathers, Tradelinks Programme Manager and Jane Magill, Tradelinks Administrator and Conor Patterson with Tradelinks client, Colm Gribben of SIMM Limited which is based in Newry and Mark Bleakney, the Southern Region Manager of Invest Northern Ireland.

3.3 M1 Manufacturers, Skillnets Programme

This Programme which the Enterprise Agency ran for manufacturing companies in Fingal, Meath and Louth on behalf of a group of County Enterprise Boards in the Republic came to an abrupt end in June 2009 when the Irish Government withdrew funding at short notice from it and a number of other projects across the Republic. Following this, Paul McCormack left the Agency after 10 years to find employment elsewhere.

3.4 The Louth Newry and Mourne PLATO Programme

The Louth/Newry and Mourne PLATO Programme, a joint initiative of Louth County Enterprise Board and Newry and Mourne Enterprise Agency which was launched in 1995, was wound-up because of lack of funding during the year. In its 14 years the initiative supported 600 companies from Newry and Mourne and Louth assisted by 30 large "parent" companies. The voluntary directors of the Partnership gave many many hours of their unpaid time to the initiative. It was chaired during its lifetime by Neil Bodger, Joe Bailey and Eamon Fitzpatrick; and managed by Irene Monaghan (now at Dundalk Institute of Technology), Margaret Hearty (now at Intertrade Ireland) and Joe English (now at Louth County Enterprise Board).

Section 4

COMMUNITY DEVELOPMENT

The First Derivatives headquarters building, Canal Quay, Newry.

4. COMMUNITY DEVELOPMENT

4.1 Canal Street Regeneration

The Canal Street Regeneration Programme funded by the UK National Lottery under its Townscape Heritage Initiative was completed during the year. Notable projects funded by the Programme which have helped transform what had been a very run-down part of Newry were the refurbishments of 3 Canal Quay, 5-7 Canal Street, 19 Sugar Island and 17 Canal street, a major environmental improvement scheme around the Newry Canal and Sugar Island/Canal Quay and substantial new build social housing along Canal Street, New Street, Sinclair Street and Chequer Hill, as well as improvements to existing houses along Canal Street. Further major redevelopment of derelict property to create much needed housing units is expected in 2011. A major coup for the Programme was the decision by the enormously successful global financial software business, First Derivatives, to locate its headquarters in lower Canal Street in an 18th century former grain store which it restored with assistance from the Programme. More than 300 people are now employed at the First Derivatives headquarters site. As well as the employment and wages generated this has given a significant trade boost to other businesses located in the area. An Oxford University evaluation of the Canal Street Programme described it as a model regeneration initiative.

4.2 Newry Neighbourhood Renewal

As part of the Department of Social Development's Newry Neighbourhood Renewal initiative the Enterprise Agency undertook to co-ordinate the implementation of a series of economic renewal actions in Newry West. During the year, two programmes were delivered: Work 4 U (which aimed to improve the employability of 14-24 year olds) and the Integrated Spatial Information System (ISIS) which sought to identify, map and promote development sites in Newry West. The Neighbourhood Renewal Programme also funded a major refurbishment of Block A at WIN (including the WIN Conference Centre).

4.3 Housing Site

During the year the Co-operative Board agreed to sell a site at WIN which was unsuitable for industrial development to the South Ulster Housing Association to facilitate the construction of 24 much needed social housing units.

The "Opportunity Knocks" Careers Fair organised by the Enterprise Agency at St Joseph's High School, Newry, as part of the Work4U initiative, November 2009.

Colin Hanna and Pauline Coghlan pictured with a group of advisors and representatives of the local community at a multi-agency employability advice session at the Carnagat Community House, Newry, organised as part of the Work4U initiative, October 2009.

Stephen McClelland pictured with a group of young people at an employability advice session at Loanda House, Barcroft, Newry, organised as part of the Work4U initiative, November 2009.

Section 4

COMMUNITY DEVELOPMENT

WIN - Work In Newry & mourne

President of Newry Chamber of Commerce and Trade, 2009-2011, Conor Patterson, with Finance Minister, Sammy Wilson, and Mayor of Newry and Mourne, John Feehan.

4.4 The Local Strategy Partnership (LSP)

In October 2009 the Newry and Mourne LSP which the Enterprise Agency co-ordinated together with Newry and Mourne District Council was formally wound up. In 13 years the LSP and its predecessor District Partnership invested almost £10 million of Peace I and Peace II funds in projects which significantly contributed to peace and reconciliation in the District.

4.5 General support to the Community/Voluntary sector

Newry & Mourne Co-operative and Enterprise Agency was active in community development throughout 2009/2010:

- The Co-operative was represented on and hosted meetings throughout the year of the Newry Neighbourhood Renewal Partnership.
- The Co-operative was represented by two Directors, Conor Patterson and Councillor Geraldine Donnelly, on the Southern Region rural development partnership, SOAR.
- The Co-operative co-ordinated through Liam Quinn the very successful Newry City Marathon in May 2009 (and May 2010).

During 2009/2010 the Co-operative worked closely with its host community in Mourneview, Murphy Crescent and Canal Street in Newry:

- The Co-operative sponsored some activities organised by the Greater Linenhall Community Association including trying to address the problem of anti-social behaviour in the area. The Co-operative also supported the efforts of the Greater Linenhall Community Association to secure development resources for the Mourneview Park/Canal Street area.

4.6 Financial support to good causes

During the year the Co-operative contributed to the following campaigns or organisations:

- SRC Business Competition Prize
- Headway L. Quinn Marathon
- Newry Musical & Orch Society
- North End Strollers
- McManus Court
- Greater Linenhall Comm. Ass
- 1st Dromore Scout Firewalk C. Hanna
- Mayor Charity Cycle 2010
- Frank Hanna Fundraising Appeal

Major infrastructural improvements in Newry completed last year : a "vision" being made reality ....

Newry leads the way

LESSONS can be learned by how Newry is tackling the recession, according to finance minister Sammy Wilson.

The city was praised for its "resilience and forward-looking approach" at the Chamber of Commerce and Trade business lunch on Thursday.

However, having Mr Wilson as the keynote speaker nearly didn't happen.

Chamber president Conor Patterson told how they were considering cancelling the event given the finance minister's preoccupations at Stormont.

But he fulfilled his obligations, albeit being 30 minutes later than planned.

The lunch at the Canal Court Hotel was attended by the movers and shakers of the business world and sponsored by Barclay's.

The bank's head of commercial banking Adrian Doran echoed Mr Wilson's sentiments and highlighted the city's resilience in the face of the recession.

While Dr Patterson told how Newry has used public money to best affect.

"As shown here in Newry, a little public investment can go a very long way," he said.

"We have the highest rates of new business not just in Northern Ireland but the UK.

The surge in the retail market was cited as a city success story.

"There were no funds drawn from the state to do that. But the state has got a return and what a return," he said.

"There are 200,000 shopping visitors to Newry every month resulting in revenue from corporation tax and rates of the premises to the state as well as the taxation from wages."

Dr Patterson made a veiled appeal for increased investment saying it would be money well spent given "how well this area has capitalised on other investment".

The recommendations in the Bain report to decentralise government jobs from Belfast was mentioned.

Dr Patterson planned to discuss it with the finance minister saying it would be more cost effective to move to Newry with its "high calibre workforce and cheaper locations".

Meanwhile, during Mr Wilson's address he admitted the assembly comes under criticism "some justified, a lot not" about its delivery of devolved government.

"However, for improvements to be made for the people of Northern Ireland, it is necessary for cooperation between government and the private sector," he said.

"We value the input of the business community. We will only prosper if we work together."

However, he told how "popular decisions" will have to be made when carving up departmental funding as he believes rescuing the economy should take priority.

"It is imperative that we invest in a manner that generates enduring and tangible economic return – this is the bedrock for prosperity and wealth," he said.

"In a tighter financial environment we, as an Executive, need to take difficult decisions about economic policy – which may mean moving resources from other less important areas."

Mr Wilson noted the cooperation between Newry business leaders and how that has helped secure its future.

MAYOR John Feehan with Sammy Wilson, MP MLA, Conor Patterson, president Newry Chamber of Commerce, and Adrian Doran, head of commercial banking at Barclays, at the Chamber's annual business lunch in the Canal Court Hotel on Thursday.

by Joanne Ross
joanne.ross@newrydemocrat.com

Section 5

INFLUENCING POLICY AND PROMOTING THE REGION

09-10 THE ENTERPRISE AGENCY ACTIVITY REPORT

Some of the stakeholders who attended the Greater Newry Vision Strategy Planning Session facilitated by Conor Patterson at WIN, June 2009.

5. INFLUENCING POLICY AND PROMOTING THE REGION

During the year Newry & Mourne Co-operative and Enterprise Agency exercised considerable influence in lobbying for increased resources for economic and social development in Newry & Mourne and the east border region more generally:

5.1 Directorships

Chairman, **John MacMahon**, was a Director of Oriel Developments Ltd and a Director of Binnian Developments Ltd. He also represented the Co-op on the Enterprise Northern Ireland Council.

Dr Conor Patterson, Chief Executive, was appointed to the Board of Enterprise Northern Ireland and served as a Co-operative representative on the Enterprise Northern Ireland Council; he was also elected during the year as President of Newry Chamber of Commerce and Trade. He served during the year as a Governor of Southern Regional College, Secretary of Oriel Developments Ltd, Secretary of Binnian Developments Ltd, a Director of the South Down/South Armagh LEADER Action Group and a Director of the rural development programme, SOAR; a member of the Newry Neighbourhood Renewal Partnership; a Supervisory Board member of the Ulster Community Investment Trust, and a member of the PLATO Louth/Newry & Mourne Steering Committee. He was also appointed as an advisor to the Board of the Confederation of Community Groups in Newry. **Peter McEvoy** was Chairman of the Newry branch of the SDLP and a Director of Binnian Developments Ltd. **Peter Fitzsimons** served as Chairman of NICO, the body which sells the expertise of the Northern Ireland public sector overseas. **Gordon Coulter (M.B.E.)**, as well as being a Director of Kilkeel Development Association, represented the CBI in Newry & Mourne. **Ronan Dennedy,** Chief Executive of the Louth County Enterprise Board, served as a Board member of Oriel Developments Ltd. **Jim McCart** served as a Director of Binnian Developments Ltd and served on the Board of Governors of St Marks High School in Warrenpoint. **Councillor Geraldine Donnelly** was a Director of the Newry and Mourne Leader Local Action Group and a member of the Southern Region Rural Development Partnership, SOAR. **Liam Quinn** served during the year as the Finance Director of Newry Credit Union, a very responsible position. He was also a member of the Board of Governors of St Colman's College. **Jennifer Malone** represented the Co-op on the Prince's Youth Business Trust Southern Region Steering Committee.

5.2 The Greater Newry Vision

The Agency again played a central role in promoting the Greater Newry Vision, alongside representatives of the Newry Chamber of Commerce

Crack city delegation courts Dublin business

by Joanne Ross
joanne.ross@newrydemocrat.com

PADRAIC O'Kane, Managing Director of the Sancian Hospitality Group, Alastair Hamilton, CEO of Invest NI, Feargal McCormack, Managing Partner of FPM Accountants, Dr Gerard O Hare, Managing Director, Parkergreen International, and Dr Conor Patterson, President of Newry Chamber of Trade and Commerce.

FINANCIAL services and IT firms in the Republic are being courted to set up shop in Newry.

A delegation of businesspeople from the city arrived en masse in Dublin on Friday morning to detail to 40 companies what advantages lay in setting up offices in the border city.

According to leading Newry businessman Dr Gerard O'Hare, they met with a positive response.

"The operandi of the seminar, Opportunity Newry, was to show how businesses can benefit and compete globally when within a different jurisdiction," Dr O'Hare told the Democrat.

"With staff costs are 30 to 40 per cent cheaper in Newry and with fiscal and taxation advantages, quite a few companies expressed an interest in opening secondary offices here.

"We may be in a recession but we need to be prepared for the upturn. We felt that now was the time to ... ment for Irish companies to create a 'win win' situation."

Believing the city's cautious yet prudent attitude is helping weather the recession, Dr O'Hare, owner of The Quays and ParkerGreen International, believes an opportu-

"Newry's retail sector is strong but this was all about how we could help other businesses in the Republic while creating jobs for our well-educated and skilled young people," he added.

A number of businessmen from the greater Newry area delivered speeches at the Opportunity Newry seminar including Conor Patterson, O'Kane, managing director of the Sancian Hospitality Group which includes RED Brasserie and Wine Bar, and Feargal McCormack, managing partner of FPM Accountants.

The calibre of employees is Newry's greatest strength alongside its strategic location to both Dublin and Belfast, claims Mr Patterson.

"The savings companies would make from overheads can't be ignored either. So quite a few expressed an interest to explore Newry as an option," he said.

"With better road routes, thanks to government investment, the city is looking more attractive than ever.

"We are not looking to poach business from the Republic, rather we are seeking to work with them to make their businesses better.

"However, we have to be realistic. Newry can't accommodate a huge influx in factories and other businesses but it can be a useful base for companies in the Republic seeking to enter the UK markets.

and Trade, Newry and Mourne District Council, the Confederation of Community Groups, Southern Regional College, the Northern Ireland Housing Executive, Warrenpoint Harbour Authority, the Southern Health and Social Care Trust, the Department of Social Development and Invest Northern Ireland. During the year a new train station was opened in Newry, the dual carriageway link betwen Newry and Dublin and Belfast was completed, an £800,000 engineering study and economic appraisal was carried out in respect of the proposed Southern Relief Road project and a joint Government/District Council Master Planning exercise for Newry was launched the aim of which is to set out a programme for the transformation of Newry as a place to live, do business, work and visit over the next 25 years.

5.3 The Labour and Education Forum

During the year the Agency continued to support the Newry and Mourne Labour and Education Forum which brings together educationalists and the business community to address local labour market issues.

5.4 Exchange of Experience

During the year the Agency hosted visits to WIN by:

- The Fraunhoffer Institute, Magdeburg, Germany.
- The University of Bucharest.
- Mindshare, Paris.

Section 6-9

ENTERPRISE NORTHERN IRELAND (ENI)

WIN - Work In Newry & mourne

6. ENTERPRISE NORTHERN IRELAND (ENI)

The Agency was one of the founders of Enterprise Northern Ireland which represents the interests of Northern Ireland's 32 Local Enterprise Agencies, contributes to policy making and develops and implements Northern Ireland-wide business development programmes. During the year the Chief Executive of the Co-operative and Enterprise Agency, Dr Conor Patterson, was appointed to the Board of Enterprise Northern Ireland.

As well as representing Enterprise Agencies and the interests of their client base in discussions with government and others, Enterprise Northern Ireland co-ordinates the delivery of a portfolio of high quality programmes through all of its Local Enterprise Agency members across Northern Ireland. Collectively Enterprise Northern Ireland members have 220 staff, are assisted by 335 voluntary directors, have 2m square feet of workspace under their management, and have 5,000 active client companies. The network operates from 40 centres across Northern Ireland.

7. OFFICE SERVICES

Our Office Services, which include telephone answering, a postal service, word processing, photocopying, colour printing and fax are available to businesses, community organisations, voluntary organisations and individuals.

8. QUALITY ACCREDITATION

The Enterprise Agency has been registered as an ISO 9001 (BS5750) quality assured body since June 1989. During the year the Agency had its internationally recognised accreditation renewed by the UK National Quality Assurance (NQA) organisation following an in-depth audit of its systems.

The ISO 9002 Operational Manual includes procedures for:
• Managed Workspace
• Training
• Office/Secretarial services
• Business Start
• Business Counselling
• Peace & Reconciliation
• Social Enterprise Support
• Newry & Mourne District Council Programmes
• Cross-Border Programmes
• Supplier Approval/Purchasing
• Quality Audit

Each procedure is subject to internal audits twice yearly and external audits once a year. In addition specific contracts are subject to third party audits which form part of the monitoring process.

9. WIN CONSULTANTS

www.winbiz.net

The purpose of this division is to, where appropriate, tender for commercial work and to secure market rates.

Its aims are:

1. To secure an independent income which the Co-operative can then invest in projects which support economic development and social harmony in Newry & Mourne, and

2. To enable the Co-operative to operate more effectively beyond Newry & Mourne, in Ireland, Britain and in international markets.

As well as deploying the skills of the Co-operative's team, WIN Consultants uses the skills of a wider network of associates involved in community and business development in the region.

Section 10-11

BOARD OF DIRECTORS & ENTERPRISE AGENCY STAFF 2009-10

10. NEWRY & MOURNE CO-OPERATIVE - BOARD OF DIRECTORS

Chairman
John MacMahon

Vice-Chairman
Peter McEvoy

Secretary
Kevin Starrs

Executive Director
Dr Conor Patterson

Director
Michael Hughes

Director
Gordon Coulter

Director
Jim McCart

Director
Peter Fitzsimmons

Director
Kevin Magill

Director
Ronan Dennedy

Director
Davy Hyland

Director
Councillor Geraldine Donnelly

Director
Brendan Jackson
(joined the Board in February 2010)

Kieran Mathers
Staff Co-optee
(from February 2010)

11. NEWRY & MOURNE ENTERPRISE AGENCY - STAFF 2009-10

Dr Conor Patterson
Chief Executive

Liam Quinn
Financial Controller

Kieran Mathers
Tradelinks Programme Manager

Jane Magill
Tradelinks Programme Administrator

Jennifer Malone
Senior Business Development Executive (Property)

Colin Hanna
Information, Research and Computer Technology Co-ordinator

Stephen McClelland
Social Enterprise Advisor

Paul McCormack
Border Vision Programme Manager (left June 2009)

Pauline Coghlan
Business Client Manager

Maeve McParland
Assistant Business Development Executive

Michelle Frost
Receptionist

Section 12-13

STAFF AND ADVISORS 2009-10

12. NEWRY & MOURNE ENTERPRISE AGENCY - STAFF 2009-10

Patricia Phillips
Office Services Co-ordinator

Maria Coyle
Finance Officer

Danny Hughes
Caretaker

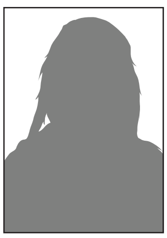
Barbara Whitfield
Senior Business Development Executive
(left to set up her own business in July 2009)

13. ASSOCIATE ADVISORS 2009-10

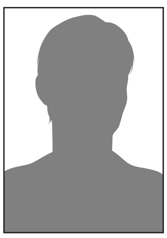
The Agency also contracts a number of Associate Advisors to provide additional specialist support. In 2009/2010 they were:

Kevin Jennings
Associate Advisor (Finance)

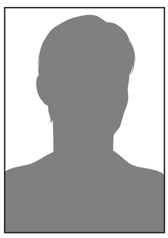
Patricia Jennings
Associate Advisor (Market Research)



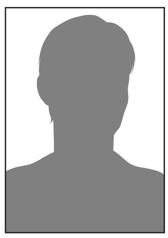
Isobel Kelly
Associate Advisor (Social Enterprise)



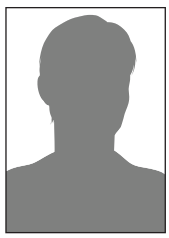
Sean Crawford
Associate Advisor (Business Planning and ICT)



Joe McCormack
Associate Advisor (Marketing)



Frank O'Hare
Associate Advisor (Hospitality Industry)



Michael Durkin
Associate Advisor (Business Development)

Directors Report

Newry & Mourne Co-operative Ltd - REGISTERED NUMBER : NI20058

The Directors present their report and accounts for the year ended 31st March 2010. The Company had a turnover of £804,731 during the year and produced a loss of (£13,280). The members' loan capital within the company is £35,337.

Principal Activities

The company's principal activity during the year continued to be the letting of business units at WIN Business Park and Warrenpoint Enterprise Centre, together with the development of new business and employment in the local area. During the year an application was made to HM Revenue & Customs to secure Charitable Status for Newry & Mourne Co-Operative Limited to reflect the current activities and mission of the company. This was approved after the year end on 19th April 2010.

Directors

The following persons served as directors during the year:

John MacMahon	Gordon Coulter
Peter McEvoy	Kevin Magill
Kevin Starrs	Ronan Dennedy
Conor Patterson	Davy Hyland
Michael Hughes	Geraldine Donnelly
Peter Fitzsimmons	Jim McCart
Brendan Jackson	

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the Board on 1st November 2010 and signed on its behalf by:
Mr Kevin Starrs
Secretary

Statement of Directors' Responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to :

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts 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.

Profit & Loss Account

Newry & Mourne Co-operative Ltd

for the year ended 31st March, 2010

	Notes	2010 £	2009 £
Turnover		804,731	1,054,492
Cost Of Sales		NIL	NIL
Gross Profit		804,731	1,054,492
Administrative Expenses		(788,658)	(1,013,666)
Operating Profit		16,073	40,826
Interest Payable	3	(29,353)	(48,246)
Profit on Ordinary Activities Before Tax	4	(13,280)	(7,420)
Taxation	6	NIL	NIL
Retained Profit/(Loss) For Year		(13,280)	(7,420)

The company had no recognised gains or losses for the year, other than the loss stated above.

Balance Sheet

Newry & Mourne Co-operative Ltd

At 31st March, 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible Assets	7	3,892,942	3,692,215
Investments	8	37,820	50,720
		3,930,762	3,742,935
CURRENT ASSETS			
Debtors	11	307,390	322,189
Cash at Bank and in Hand		6,611	6,067
		314,001	328,256
CURRENT LIABILITIES - CREDITORS			
Due Within One Year	12	(454,420)	(323,697)
Net Current Assets / (Liabilities)		(140,419)	4,559
Total Assets Less Current Liabilities		3,790,343	3,747,494
CREDITORS Due After More Than One Year	13	(611,478)	(738,496)
NET ASSETS		3,178,865	3,008,998
CAPITAL AND RESERVES			
Members Loan Capital		35,337	35,289
Capital Reserve	14	2,672,036	2,488,937
Profit & Loss Account	14	471,492	484,772
		3,178,865	3,008,998

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

John MacMahon
Director
Approved by the Board on 1st November 2010

Consolidated Profit & Loss Account

Newry & Mourne Co-operative Ltd

for the year ended 31st March, 2010

	Notes	2010 £	2009 £
Turnover		804,776	1,054,563
Cost Of Sales		NIL	NIL
Gross Profit		804,776	1,054,563
Administration Expenses		791,703	1,016,729
Operating Profit		13,073	37,834
Interest Payable	3	(29,395)	(48,282)
(Loss)/Profit on Ordinary Activities before Taxation	4	(16,322)	(10,448)
Taxation	6	NIL	NIL
Profit/(Loss) on Ordinary Activities after Taxation		(16,322)	(10,448)
Minority Interests		NIL	NIL
Retained Profit/(Loss) attributable to Members		(16,322)	(10,448)

The group had no recognised gains or losses for the period other than the loss stated above.

Consolidated Balance Sheet

Newry & Mourne Co-operative Ltd

for the year ended 31st March, 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible Assets	7	3,948,726	3,750,769
Investments	8	2,100	15,000
		3,950,826	3,765,769
CURRENT ASSETS			
Debtors	11	239,390	254,464
Cash at Bank and in Hand		6,941	6,394
		246,331	260,858
CURRENT LIABILITIES - Creditors Due Within One Year	12	(454,610)	(323,886)
NET CURRENT ASSETS (LIABILITIES)		(208,279)	(63,028)
TOTAL ASSETS LESS CURRENT LIABILITIES		3,742,547	3,702,741
CREDITORS Due After More Than One Year	13	(611,478)	(738,497)
NET ASSETS		3,131,069	2,964,244
CAPITAL AND RESERVES			
Members Loan Capital		35,337	35,289
Capital Reserve	14	2,682,036	2,498,937
Profit & Loss Account	14	413,696	430,018
		3,131,069	2,964,244
Minority Interests		NIL	NIL
		3,131,069	2,964,244

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

John MacMahon
Director
Approved by the Board on 1st November 2010

Notes on and forming part of the Financial Statements

for the year ended 31st March, 2010 Newry & Mourne Co-operative Ltd

1. ACCOUNTING POLICIES

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Consolidated turnover represents external sales, rents and revenue grants for government schemes operated by the group.

Depreciation

Depreciation has been provided on all fixed assets at rates calculated to write them off evenly over the expected useful and working lives.

Capital Grants

Grants in respect of capital expenditure have been credited to a Capital Reserve and an amount equivalent to the annual depreciation on the relevant assets has been released to the Profit and Loss Account.

2. BASIS OF CONSOLIDATION

The consolidated Profit and Loss Account and Balance Sheet include the Assets, Liabilities and Trading results of the Company and its subsidiary as defined in the Companies Act 2006. The Subsidiary company at 31st March 2010 is as follows;

Newry & Mourne Developments Ltd.

3. INTEREST PAYABLE

	GROUP		COMPANY	
	2010	2009	2010	2009
	£	£	£	£
On Bank loans, overdrafts and other loans				
- Repayable within 5 years, by installments	17,805	13,182	17,763	13,146
- Repayable wholly or partly in more than 5 years	11,590	35,100	11,590	35,100
	29,395	48,282	29,353	48,246

Notes on and forming part of the Financial Statements

for the year ended 31st March, 2010 Newry & Mourne Co-operative Ltd

4. PROFIT/(LOSS) ON ORDINARY ACTIVITIES

	GROUP		COMPANY	
	2010	**2009**	**2010**	**2009**
	£	**£**	**£**	**£**
Profit/(Loss) on ordinary activities before taxation is stated after charging:				
Depreciation	95,360	95,025	92,590	92,237
Auditors Remuneration	5,825	5,775	5,550	5,500

5. DIRECTORS AND EMPLOYEES

	GROUP		COMPANY	
	2010	**2009**	**2010**	**2009**
	£	**£**	**£**	**£**
STAFF COSTS				
Wages and Salaries	349,814	388,414	349,814	388,414
Social Security Costs	34,801	39,267	34,801	39,267
Other Pension Costs	21,750	41,834	21,750	41,834
	406,365	469,515	406,365	469,515
The average number of persons employed by the company			15	17

Notes on and forming part of the Financial Statements

for the year ended 31st March, 2010 Newry & Mourne Co-operative Ltd

6. TAXATION

The tax charge on the (loss)/profit for the year was as follows:	2010	2009
	£	£
Corporation tax payable on the adjusted results for the year	NIL	NIL
Adjustment to previous years	NIL	NIL

7. TANGIBLE FIXED ASSETS

GROUP SCHEDULE	TOTAL	LAND & BUILDINGS	MOTOR VEHICLES	FIXTURES & EQUIPMENT
	£	£	£	£
COST SCHEDULE				
At 1 April, 2009	5,013,028	4,777,473	25,167	210,388
Additions	293,317	276,150	NIL	17,167
Disposals	NIL	NIL	(25,167)	NIL
At 31st March, 2010	5,306,345	5,053,623	NIL	227,555
DEPRECIATION SCHEDULE				
At 1st April, 2009	1,262,259	1,088,110	25,167	148,982
Charge for the year	95,360	95,360	NIL	NIL
Disposals	NIL	NIL	(25,167)	NIL
At 31st March, 2010	1,357,619	1,183,470	NIL	148,982
NET BOOK VALUE				
31st March 2010	3,948,726	3,870,153	NIL	78,573
NET BOOK VALUE				
31st March 2009	3,750,769	3,689,363	NIL	61,406

The Net Book Value At 31st March, 2010 of the holding Company's fixed assets included above are as follows:

	3,892,942	3,814,370	NIL	78,572

Notes on and forming part of the Financial Statements

for the year ended 31st March, 2010 Newry & Mourne Co-operative Ltd

8. INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANY

The following amounts are included in the holding Company Balance Sheet.

	COST	PAR VALUE	SHARE OF OWNERSHIP
	£	£	%
Newry and Mourne Developments Ltd	**35,720**	**45,720**	**78**
Oriel Developments Ltd	**100**	**N/A**	**50**
Binnian Developments Ltd	**2,000**	**N/A**	**50**

Oriel Developments Ltd is a company limited by guarantee in which Newry & Mourne Co-operative Ltd shares equal ownership with ROSA Trust Ltd. £12,900 capital was repaid by Oriel Developments Ltd to Newry & Mourne Co-operative Ltd during the year leaving an investment cost of £100 at the balance sheet date.

Binnian Developments Ltd is a company limited by guarantee in which Newry & Mourne Co-operative Ltd shares equal ownership with Kilkeel Development Association Ltd.

9. CAPITAL COMMITMENTS

There are no capital commitments pending at the year end.

10. CONTINGENT LIABILITIES

A Contingent liability exists to repay grants to Invest NI and IFI in the event of the company ceasing to operate as an Enterprise Agency or failing to honour undertakings specified in the relevant agreements.

11. DEBTORS - (Due within one Year)

	GROUP		COMPANY	
	2010	2009	2010	2009
	£	£	£	£
Trade Debtors	**75,173**	**223,699**	**75,173**	**223,699**
Amount due from Subsidiary	**NIL**	**NIL**	**68,052**	**67,777**
Other Debtors	**164,217**	**30,765**	**164,165**	**30,713**
	239,390	**254,464**	**307,390**	**322,189**

12. CREDITORS - (Due within one Year)

	GROUP		COMPANY	
	2010	2009	2010	2009
	£	£	£	£
Bank Loan & Overdraft	**335,451**	**224,175**	**335,451**	**224,175**
Creditors and Accruals	**85,425**	**57,015**	**85,235**	**56,826**
Taxation and Social Security	**33,734**	**42,696**	**33,734**	**42,696**
	454,610	**323,886**	**454,420**	**323,697**

The Bank Loan and Overdraft are secured by a leasehold first charge over the business units at WIN, Newry Road, Warrenpoint and by an all monies debenture over the company's assets, and by guarantee given by Newry & Mourne Developments Ltd supported by an all monies debenture over the assets of that company including a first legal charge over that companies property at WIN, Canal Quay, Newry.

Notes on and forming part of the Financial Statements

for the year ended 31st March, 2010 Newry & Mourne Co-operative Ltd

13. CREDITORS - (Due after more than one Year)

	GROUP		COMPANY	
	2010	2009	2010	2009
	£	£	£	£
Bank Loans & Overdrafts	611,478	738,496	611,478	738,496

14. RESERVES

	GROUP		COMPANY	
	CAPITAL RESERVE	PROFIT & LOSS A/C	CAPITAL RESERVE	PROFIT & LOSS A/C
	£	£	£	£
At 1st April 2009	2,498,937	430,018	2,488,937	484,772
Retained Profit/(Loss) for the Year	NIL	(16,322)	NIL	(13,280)
Amortization of Grant	(59,760)	NIL	(59,760)	NIL
Grant receivable	242,859	NIL	142,859	NIL
At 31st March 2010	2,682,036	413,696	2,672,036	471,492

The Capital Reserve in the Company Balance Sheet, consists of Government Grants received as explained in note 1 (iii). An additional capital reserve arises on consolidation of the purchase by the company of 25,000 £1 'B' Shares in Newry and Mourne Developments Ltd at a price of £15,000, in 1986.

15. DEFERRED TAX

Deferred tax is not provided as the amounts involved are not material.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWRY & MOURNE CO-OPERATIVE LTD

We have audited the accounts of Newry & Mourne Co-Operative Ltd for the year ended 31st March 2010 which comprise the Profit and Loss account and Balance Sheet, the Consolidated Profit and Loss and Balance Sheet, and the related Notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard For Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Section 495 of the Companies Act 2006. 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 explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

In accordance with the exemption provided by APB Ethical Standard – Provisions Available for Smaller Entities, we have assisted with the preparation of the accounts.

Scope of the audit opinion

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the accounts.

Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the group and company's affairs as at 31st March 2010 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006.

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the accounts and the directors' report in accordance with the small companies regime.

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 financial statements. It also includes an assessment

continued overleaf

of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

Mark Reynolds (Senior Statutory Auditor)
For and on behalf of Fitzpatrick & Kearney Ltd
Chartered Accountants & Registered Auditors
10c Marcus Square
Newry
Co. Down
BT34 1AE

1st November 2010

Newry & Mourne Developments Ltd Notice of Meeting

Notice is hereby given that the Thirty Sixth Annual General Meeting of Newry & Mourne Developments Ltd will be held in Enterprise House, Win Business Park, Newry at 6.30pm on Tuesday 7th December 2010 for the following purposes:

1) **To receive and consider the Directors Report and Financial Statements for the period ended 31st March, 2010.**
2) **To reappoint the Auditors and authorise the Directors to fix their remuneration.**
3) **To elect Directors.**
4) **To transact any ordinary business of the company.**

by order of the board
JOHN MacMAHON

In accordance with the Articles of Association of the company, all members are entitled to attend the meeting but only those members who were previously 'A' Shareholders are allowed to vote.

Any member entitled to attend and vote at this meeting is entitled to appoint a Proxy to attend and vote instead of him/her. Forms of Proxy must be deposited at the registered office of the company at least 48 hrs before the Meeting.

Newry & Mourne Developments Ltd Directors Report

REGISTERED NUMBER : NI11275

The Directors present their report and accounts for the year ended 31st March, 2010. In accordance with the special resolution passed at the Annual General Meeting of the company on 21st November 2002, Newry & Mourne Developments PLC changed its status from a Public Limited Company to a Private Company Limited by Guarantee with effect from 15th April 2003.

The issued share capital of the company which consisted of 5,000 'A' Ordinary Shares of £1 each and 55,110 'B' non-voting shares of £1 each, were converted into loan capital at that date. This is held by 291 members.

Principal Activities
The company has not undertaken any trading activities during the year.

Directors
The following persons served as directors during the year:

John MacMahon
Peter McEvoy

Disclosure of information to auditors
Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company special provisions
This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 1st November 2010 and signed on its behalf:

John MacMahon
Director

Newry & Mourne Developments Ltd — STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to :

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts 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

Newry & Mourne Developments Ltd — Profit & Loss Account

for the year ended 31st March, 2010

	Notes	2010	2009
		£	£
Turnover		45	71
Distribution and Administration Costs	6	(3,087)	(3,099)
Loss on Ordinary Activities before Taxation		(3,042)	(3,028)
Taxation	2	NIL	NIL
(Loss) on Ordinary Activities after Taxation		(3,042)	(3,028)
Accumulated Deficit from last year		(69,196)	(66,168)
Accumulated Deficit carried forward	1	(72,238)	(69,196)

The company had no recognised gains or losses for the period other than the loss stated above.

Newry & Mourne Developments Ltd Balance Sheet

at 31st March, 2010

	Notes	2010		2009	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	3		55,784		58,554
CURRENT ASSETS					
Cash at Bank			330		327
CURRENT LIABILITIES					
Creditors due within one Year		189		189	
Amount due to Group Companies		68,052	(68,241)	67,777	(67,966)
Net Current Liabilities			(67,911)		(67,639)
Total Assets Less Current Liabilities			(12,128)		(9,086)
CAPITAL & RESERVES	5				
Members Loan Capital			60,110		60,110
Profit and Loss Account (Deficit)			(72,238)		(69,196)
			(12,128)		(9,086)

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

John MacMahon
Director
Approved by the Board on 1st November 2010

Newry & Mourne Developments Ltd

Notes on and forming part of the Financial Statements

for the year ended 31st March, 2010

	2010	2009
1. PROFIT /(LOSS)	**£**	**£**
As at 1st April 2009	(69,196)	(66,168)
Retained loss for year	(3,042)	(3,028)
As of the 31st March 2010	(72,238)	(69,196)

2. TAXATION:		
Corporation Tax payable on		
the adjusted results for the year	NIL	
Adjustments to previous year's	NIL	

3. FIXED ASSETS	TOTAL	PROPERTIES	FIXTURES & FITTINGS
	£	£	£
Cost - 1-4-2009	159,312	137,299	22,013
Additions	NIL	NIL	NIL
Cost - 31-3-2010	159,312	137,299	22,013
Depreciation - 1-4-2009	100,759	78,746	22,013
Provided	2,769	2,769	NIL
Depreciation - 31-3-2010	103,528	81,515	22,013
Net Book Value - 31-3-2010	55,784	55,784	NIL
Net Book Value - 31-3-2009	58,553	58,553	NIL

In the opinion of the Directors the market value of the properties of the Company exceed their Balance Sheet values. However, depreciation has been provided at 2% per annum on buildings in order to comply with accounting standards on depreciation. Depreciation of Fixtures and Fittings has been provided at rates calculated to write off the assets over their estimated working lives.

Newry & Mourne Developments Ltd

Notes on and forming part of the Financial Statements

for the year ended 31st March, 2010

4. HOLDING COMPANY

The company is a subsidiary of Newry & Mourne Co-operative Limited.

5. MEMBERS LOAN CAPITAL

As explained in the Director's Report, the Company Share Capital was converted into Loan Capital on 15th April 2003.

6. Included in the distribution and administrative costs are the following:

	2010	2009
	£	£
Audit Fees	275	275
Depreciation	2,770	2,788

7. To meet Invest NI requirements for grant assistance, Newry and Mourne Developments Ltd granted a Head Lease to Newry and Mourne Co-operative Ltd, under which Newry and Mourne Co-operative agreed to take over the management and operations of the W.I.N. Business Park for a period of 20 years from 12th December, 1986. It has been agreed by the two Boards of Directors to extend this head lease for a further 99 years.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWRY & MOURNE DEVELOPMENTS LTD

We have audited the accounts of Newry & Mourne Development Ltd for the year ended 31st March 2010 which comprise the Profit and Loss account, the Balance Sheet and the related Notes.The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entitites).

This report is made solely to the company's members, as a body, in accordance with Section 495 of the Companies Act 2006. 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 explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

In accordance with the exemption provided by APB Ethical Standard – Provisions Available for Smaller Entities, we have assisted with the preparation of the accounts.

Scope of the audit opinion

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of : whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the accounts.

Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31st March 2010 and of its loss for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the accounts and the directors' report in accordance with the small companies regime.

Mark Reynolds (Senior Statutory Auditor)
For and on behalf of Fitzpatrick & Kearney Ltd
Chartered Accountants & Registered Auditors
10c Marcus Square
Newry
Co. Down
BT34 1AE

1st November 2010

WIN - Work In Newry & mourne

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