

Company objects:

To promote the principles and practice of co-operative and mutual solutions, in particular but not exclusively:

a) to create and develop co-operative support services to assist individuals and communities to explore and establish co-operative and mutual enterprises.

b) to research, develop, and participate in the debate regarding the creation of co-operative and mutual solutions to address new social and economic needs and how these aid the development of the social economy

I. A Review of the business

2007 – 2008 was Co-operative Futures' eighth trading year and my fourth as Chairman. I first wish to express my grateful thanks to the other members of the Company's voluntary Board and to all members of staff for your part in our collective pursuit of the Company's Objects (shown above).

As expected, it has been a difficult trading year, with both significant highs and significant lows.

Highs

- Co-operative Futures continues in co-operation with the Midcounties Co-operative Limited.
- Co-operative Futures profitably ran its first national co-operative conference – Future Co-operatives 2008. Delegate feedback was 100% positive and the Company plans a bigger and even better event next year – Future Co-operatives 2009
- Co-operative Futures continued its work with Business Link and the South West RDA as those agencies look to develop a regional support service for social enterprises in response to the government's business support simplification plan.
- Co-operative Futures won and delivered a Wiltshire contract – jointly funded by Rural Renaissance and Wiltshire County Council – to deliver support and advice in Wiltshire.
- Each Co-operative Futures advisor achieved full Small Firms Enterprise Development Initiative accreditation
- Co-operative Futures became an accredited Investor In People
- Co-operatives UK (the national co-operatives trade association) welcomed Jo White onto its Board as Co-operative Development Body representative following her victory in a national election
- Jo was also appointed a board director of a new partnership to represent social enterprise in the south east (SE²), along with her board position on the south west social enterprise representative body RISE

- Co-operative Futures helped three new social enterprises register during the year.
 - On May 1st 2007, following support from Jane Ryall in Wiltshire, the **Kington St. Michael Village Shop** registered as a community co-operative Industrial & Provident Society.
 - In Oxfordshire **Wootton & Dry Sandford Community Centre Limited** registered as a Company Limited by Guarantee on the 29th November 2007 and
 - **Focus On Faringdon CIC** (community interest company) registered on the 17th March 2008 – both enterprises were supported through registration by Tessa Hennessy.
- Co-operative Futures has welcomed seven social enterprises as members during the year: Steeple Ashton Village Shop Association Limited, the Pound Arts Trust Limited, East Oxford Action, Green Standards, Just Trading of Wallingford, PATA and the Gloucestershire Gateway Trust

Lows

- Co-operative Futures member Johnstone's Co-operative of Salisbury ceased trading
- Business Link in response to the government's business support simplification plan ceased to contract Co-operative Futures to provide specialist advice for social enterprises across our trading area
- Local authorities in response to the government's business support simplification plan ceased or greatly diminished Co-operative Futures' contracts to provide specialist advice for social enterprises across our trading area

2. **Principal risks and uncertainties**

By accident or design the implementation of the government's business support simplification plan represents the principal risk and uncertainty to Co-operative Futures.

The South West Regional Development Agency (South West RDA) is tasked with both implementing the business support simplification plan in the region and with contracting the proposed regional support service for social enterprises.

The service is intended to replace existing public funding arrangements for all specialist social enterprise support providers in the region.

Our traditional local authority funders are unable to contract Co-operative Futures in 2007 – 2008 as they have previously done.

In the original schedule for the South West RDA regional service funding began at the start of April 2008. The schedule now proposes a funding start date of October 2008.

Even if the South West RDA regional service provides funding from October, Co-operative Futures has no public sector funding to pay for its service until then.

3. **The end of year position**

The year to March 31st 2008 was a bad one, resulting in a trading loss that left Co-operative Futures with a depleted strategic reserve.

When the Oxford Swindon and Gloucester (OSG) Co-operative Society set up Co-operative Futures, the OSG planned that the OSG would provide 50% of the funding and Co-operative Futures would earn the other 50% from local (public sector) partners. In the changed business support environment this income mix is no longer viable.

We have, for some time, recognised that our traditional ways of working may need to be reorganised with the introduction of the South West regional service.

The South West Regional Service is now unrecognisable from the form in which Co-operative Futures piloted it and has killed Co-operative Futures' public sector income streams in the South West.

The need to restructure Co-operative Futures is more pressing than ever.