

**REGISTERED NUMBER: 04453576 (England and Wales)**

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**GROUP STRATEGIC REPORT,  
REPORT OF THE DIRECTORS AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

	<b>Page</b>
<b>Company Information</b>	1
<b>Group Strategic Report</b>	2
<b>Report of the Directors</b>	5
<b>Report of the Independent Auditors</b>	7
<b>Consolidated Income Statement</b>	10
<b>Consolidated Other Comprehensive Income</b>	11
<b>Consolidated Balance Sheet</b>	12
<b>Company Balance Sheet</b>	13
<b>Consolidated Statement of Changes in Equity</b>	14
<b>Company Statement of Changes in Equity</b>	15
<b>Consolidated Cash Flow Statement</b>	16
<b>Notes to the Consolidated Cash Flow Statement</b>	17
<b>Notes to the Consolidated Financial Statements</b>	18
<b>Company Detailed Income and Expenditure Account</b>	29

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2023**

**DIRECTORS:**

C E Hayward  
J A Downes  
C J Hindley  
R L Bowden  
T J Brocklebank  
C J Browne  
Dr P Broxton  
L C Gittins  
N C Newton  
Professor E A Simmons  
R W N Collis  
Dr K P MacKay  
A McDonald

**REGISTERED OFFICE:**

Floor 1  
Wyvern House  
The Drummer  
Winsford  
Cheshire  
CW7 1AH

**REGISTERED NUMBER:**

04453576 (England and Wales)

**AUDITORS:**

Murray Smith LLP  
Chartered Accountants  
Statutory Auditor  
Darland House  
44 Winnington Hill  
Northwich  
Cheshire  
CW8 1AU

## **CHESHIRE & WARRINGTON LOCAL ENTERPRISE PARTNERSHIP**

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their Strategic report, together with the Directors' report, the financial statements and auditors' report, for the Cheshire and Warrington Local Enterprise Group for the year ended 31 March 2023.

#### **REVIEW OF BUSINESS**

The statement of comprehensive income is set out on page 10.

The consolidated group turnover for the full year ended 31 March 2023 was £6.9Million (31 March 2022: £4.7 Million). The principal activity of the company continues to be a partnership of public and private sector organisations for the promotion of economic activity and growth in Cheshire and Warrington. Turnover primarily takes the form of various government grants which support the development of economic strategy and plans for infrastructure and skills development. A subsidiary of the LEP, CWTB Ltd, which trades as Marketing Cheshire, engages in activities which promote the visitor economy and the sub-region to businesses and residents.

The range of activities supported by the LEP include economic policy and planning, gathering of economic intelligence and evidence, convening stakeholders' views and opinions, and delivering a wide range of programmes for infrastructure development and enhancing skills. The LEP also has an interest in several investment funds, managed by third party fund managers, which support infrastructure development and the life sciences sector. Grant levels and the nature of the programmes the company delivers are set each year by central government departments and local authorities and can vary from one year to another in line with policy objectives and budget settlements.

The LEP and Marketing Cheshire are not for profit companies but seek to maintain adequate reserves to manage fluctuations in income and activity levels.

#### **STRATEGIC REPORT**

##### **Operating activities**

Before reporting on the activities of 2022-23 in detail, the most important issue currently facing the LEP, and its future, follows the announcement made on the 15 March 2023 by the Chancellor as part of his Budget statement:

"We need to unleash the Civic entrepreneurship that's only possible when elected local leaders are able to fund and deliver solutions to their own challenges. That means giving them responsibility for local economic growth and the benefits from the upside when it happens. So, this government will consult on transferring responsibilities for local economic development from local enterprise partnerships to local authorities from April 24."

Since the announcement, Government has sought the views of LEPs and Local Authorities regarding the policy. Government responded to the consultation on 5th August 2023 confirming the policy direction and we are engaged with our Local Authority partners on how to implement the proposals most effectively. In the meantime, we continue to work closely with Local Authority partners to ensure continued delivery of the LEP's objectives and to determine the future arrangements for the LEP and its programmes.

The announcement was coupled with a further reduction of £125k to Government funding for LEPs for 2023-24. The funding affected represents a relatively small proportion of the LEP's overall income, so while the further reduction presents a challenge, it is not insurmountable. Many of the LEPs activities receive ring fenced funding and are unaffected by the change.

Prior to the announcement and for 2022-23, the LEP continued to operate a wide range of activities, in support of its vision for Cheshire and Warrington to be the most sustainable, inclusive, healthy and fastest growing economy. Achieving progress towards the vision will remain a priority during the transition phase and our agile approach to the use of resources will be maintained. Many of the activities receive their funding under contracts which define specific objectives, outputs and use of funds. While the funding sets constraints, the LEP staff are multi-skilled such that resources can be used flexibly and applied to the various programmes and sources of funds. This flexibility, which works across the group, has helped quickly redeploy capacity in response to additional or reduced grant funding whilst retaining knowledge and experience.

## **CHESHIRE & WARRINGTON LOCAL ENTERPRISE PARTNERSHIP**

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023**

In 2022-23, the LEP's focus moved on from responding to the impacts of the Covid pandemic and Brexit. The Government published the findings of its review of LEPs in March 2022 which followed on from its response to the De Bois review of Destination Management Organisations published in September 2021. The LEP review set out the functions government expects of LEPs and, in what was a challenging period for departmental budget settlements reduced "core" funding to LEPs for 2022-23 by £125k (25%) while funding for Growth Hubs, which were bolstered by additional programmes during Brexit and Covid, reverted to levels closer to where they were before the pandemic.

Set against the reduction in core funding, 2022-23 had its share of upsides. The LEP began delivery of a programme of skills bootcamps (fast track training programmes) with a value exceeding £1M, and for which a management fee of £150k was received. Before the year ended, confirmation had been received for a further grant programme of bootcamps in 2023-24 of £1.2M, with a management fee of £155k.

The LEP continued to deliver several programmes relating to skills development ensuring that the business voice helps set the design and delivery of further education, higher education and vocational qualifications. Those programmes include the skills advisory panel, the digital skills partnership, and the Pledge. The Pledge, which initiated in 2019, with supporting European Social Funds works in partnership with Youthfed to inspire young people. Skills funding has also supported ongoing detailed analysis of the make-up of the Cheshire and Warrington workforce helping to design initiatives to bring people back into employment as well as provide evidence for skills development.

The LEP continues to be a member of the Northern Powerhouse 11 LEPs, and acts as the fund holder, employer and contracting authority for the partnership.

The operational outturn for the year 2022-23 was considerably better than expected. A grant was received (more detail below) and used to reduce borrowings. By virtue of carrying funds available for investment projects, the unexpected sharp rise in interest rates generated considerably higher levels of income on the idle balances than was planned. Coupled with careful cost management, the group achieved an operating result of £1.9M.

#### **Investing activities**

The LEP continues to administer a Growing Places Fund and a balance of retained business rates both of which can be deployed in various ways to support economic development priorities. As has been mentioned, the unexpectedly sharp rise in interest rates meant that those balances generated a higher return and supplementary revenue grant from Cheshire East Borough Council, the fund holding authority.

The development of the Cheshire Science Corridor Enterprise Zone and the associated retained business rates remains an important area of growth for the LEP. In 2022-23, new borrowing of £1.8M was drawn to finance an investment in Birchwood and agreement was reached to draw down £2.7M to support a development in Ellesmere Port.

#### **Receipt of grant**

During the financial years 2020-21 and 2021-22, the LEP administered a capital grants programme, the Getting Building Fund, on behalf of BEIS (now Department for Business and Trade). Grants were awarded to specific projects in the region with a requirement that the funds were utilised by 31 March 2022. One of the projects awarded funding closed early in January 2022 making available approximately £4.4M that, with BEIS agreement, was re-purposed towards an alternative scheme in the sub-region. That project was being funded through LEP borrowing which was replaced by grant received in July 2022 substituting the borrowing already drawn and meeting the remaining commitments to the project.

#### **Life Sciences Funds**

The Life Sciences Fund 1 has been operating for seven years and has moved to the stage where only follow on investments into the existing portfolio are permitted. Some divestments are also possible, although most realisations are expected after year 10. During the year, the LEP increased its investment in the fund by £668k. The first two distributions totalling £258k (of which £42k was in FY 2021-22) have already been received and earmarked for re-investment. Further distributions are expected over the next few years.

In the meantime, the valuation of the portfolio fluctuates depending on the achievement of, for example, development or commercial milestones. For 2022-23, there was a quite steep reduction of £1.8M in the carrying value of the investments.

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2023**

On 26th May 2022, in partnership with the Greater Manchester Combined Authority and Bruntwood SciTech, the LEP entered a binding commitment to invest £5M into a £20M GMC Life Sciences Fund by Praetura (Life Sciences Fund 2). The commitment is expected to be funded over several years by distributions arising from the LEP investment in the GM&C Life Science Fund (Life Sciences Fund 1). Because the value and timing of calls for funding into LSF2 and of distributions from LSF1 are uncertain, the board agreed to meet commitments into LSF2 from resources held in Growing Places Fund, which will be repaid when distributions are received. During the year £1.3M has been invested into LSF2.

**Marketing Cheshire**

Marketing Cheshire turnover in the year decreased in the year compared to 2021-22 by approximately £300k because the grants provided by Government to support recovery of the visitor economy after the pandemic, including £400k of Welcome Back funding, were not repeated. The LEP programmes which had received additional funding in the prior year had less resource to channel into marketing activities. Set against those reductions, Marketing Cheshire experienced a recovery in partnership and commercial income, albeit not quite to pre-pandemic levels and a particularly strong performance from the Visitor Information Centre retail and commission business.

**GOING CONCERN**

While there is work underway to develop the LEP's functions and transition them to Local Authority control, the LEP remains in a financially strong position and has shown over past years its ability to adjust and flex resources according to the funding it receives. The combination of reserves from operating and investing activities amount to approximately £9.4M and the directors are assured of the LEP's solvency for the foreseeable future.

**ON BEHALF OF THE BOARD:**

.....  
C E Hayward - Director

Date: .....

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2023.

**DIVIDENDS**

As the company is limited by guarantee it makes no distributions by dividends or any other means.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

C E Hayward  
J A Downes  
C J Hindley  
R L Bowden  
T J Brocklebank  
C J Browne  
Dr P Broxton  
L C Gittins  
N C Newton  
Professor E A Simmons  
R W N Collis  
Dr K P MacKay  
A McDonald

Other changes in directors holding office are as follows:

S A Kinsey - resigned 14 April 2022  
N J Dunbar - resigned 21 October 2022  
Dr A Choi - resigned 31 March 2023  
L M Jones - resigned 31 March 2023

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements 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 financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the surplus or deficit of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2023**

**AUDITORS**

The auditors, Murray Smith LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

.....  
C E Hayward - Director

Date: .....

# **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHESHIRE & WARRINGTON LOCAL ENTERPRISE PARTNERSHIP**

## **Opinion**

We have audited the financial statements of Cheshire & Warrington Local Enterprise Partnership (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2023 and of the group's deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CHESHIRE & WARRINGTON LOCAL ENTERPRISE PARTNERSHIP**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements 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.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit procedures designed to identify irregularities included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims
- Enquiry of company staff with responsibilities for compliance matters to identify any instances of non-compliance with laws and regulations
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 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 a Report of the Auditors 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.

Michael Benson (Senior Statutory Auditor)  
for and on behalf of Murray Smith LLP  
Chartered Accountants  
Statutory Auditor  
Darland House  
44 Winnington Hill  
Northwich  
Cheshire  
CW8 1AU

Date: .....

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
<b>TURNOVER</b>		6,947,433	4,743,251
Cost of sales		520,896	760,331
<b>GROSS SURPLUS</b>		6,426,537	3,982,920
Administrative expenses		4,564,351	4,036,557
<b>OPERATING SURPLUS/(DEFICIT)</b>	4	1,862,186	(53,637)
Gain/loss on revaluation of investments		(1,954,125)	(424,338)
		(91,939)	(477,975)
Interest payable and similar expenses	5	339,551	278,265
<b>DEFICIT BEFORE TAXATION</b>		(431,490)	(756,240)
Tax on deficit	6	1,116	-
<b>DEFICIT FOR THE FINANCIAL YEAR</b>		(432,606)	(756,240)
Deficit attributable to: Owners of the parent		(432,606)	(756,240)

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**CONSOLIDATED OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
<b>DEFICIT FOR THE YEAR</b>		(432,606)	(756,240)
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(432,606)</u>	<u>(756,240)</u>
Total comprehensive income attributable to: Owners of the parent		<u>(432,606)</u>	<u>(756,240)</u>

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP (REGISTERED NUMBER: 04453576)**

**CONSOLIDATED BALANCE SHEET  
31 MARCH 2023**

	Notes	2023		2022	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	8		8,321,889		8,419,556
Tangible assets	9		8,806		47,978
Investments	10		8,045,004		8,250,437
			<u>16,375,699</u>		<u>16,717,971</u>
<b>CURRENT ASSETS</b>					
Stocks	11	34,082		31,535	
Debtors	12	2,221,109		4,576,489	
Cash at bank and in hand		1,622,609		996,131	
			<u>3,877,800</u>	<u>5,604,155</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	3,556,509		1,665,154	
			<u>321,291</u>	<u>3,939,001</u>	
<b>NET CURRENT ASSETS</b>					
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<u>16,696,990</u>	<u>20,656,972</u>	
<b>CREDITORS</b>					
Amounts falling due after more than one year	14		7,266,740		10,794,116
			<u>9,430,250</u>	<u>9,862,856</u>	
<b>NET ASSETS</b>					
<b>RESERVES</b>					
Fair value reserve	17		(2,834,455)		(880,330)
Income and expenditure account	17		12,264,705		10,743,186
			<u>9,430,250</u>	<u>9,862,856</u>	

The financial statements were approved by the Board of Directors and authorised for issue on ..... and were signed on its behalf by:

.....  
C E Hayward - Director

.....  
T J Brocklebank - Director

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP (REGISTERED NUMBER: 04453576)**

**COMPANY BALANCE SHEET  
31 MARCH 2023**

	Notes	2023		2022	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	8		8,321,889		8,419,556
Tangible assets	9		5,244		19,877
Investments	10		8,045,005		8,250,438
			<u>16,372,138</u>		<u>16,689,871</u>
<b>CURRENT ASSETS</b>					
Debtors	12	2,134,605		4,226,338	
Cash at bank		1,358,914		837,910	
			<u>3,493,519</u>	<u>5,064,248</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	3,429,967		1,402,006	
			<u>63,552</u>	<u>3,662,242</u>	
<b>NET CURRENT ASSETS</b>					
			<u>16,435,690</u>	<u>20,352,113</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
<b>CREDITORS</b>					
Amounts falling due after more than one year	14		7,266,740		10,794,116
			<u>9,168,950</u>	<u>9,557,997</u>	
<b>NET ASSETS</b>					
			<u>9,168,950</u>	<u>9,557,997</u>	
<b>RESERVES</b>					
Fair value reserve	17		(2,834,455)		(880,330)
Income and expenditure account	17		12,003,405		10,438,327
			<u>9,168,950</u>	<u>9,557,997</u>	
Company's loss for the financial year			<u>(389,047)</u>	<u>(814,327)</u>	

The financial statements were approved by the Board of Directors and authorised for issue on ..... and were signed on its behalf by:

.....  
C E Hayward - Director

.....  
T J Brocklebank - Director

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	Retained earnings £	Fair value reserve £	Total equity £
<b>Balance at 1 April 2021</b>	11,065,967	(446,871)	10,619,096
<b>Changes in equity</b>			
Total comprehensive income	(322,781)	(433,459)	(756,240)
<b>Balance at 31 March 2022</b>	<u>10,743,186</u>	<u>(880,330)</u>	<u>9,862,856</u>
<b>Changes in equity</b>			
Total comprehensive income	<u>1,521,519</u>	<u>(1,954,125)</u>	<u>(432,606)</u>
<b>Balance at 31 March 2023</b>	<u><u>12,264,705</u></u>	<u><u>(2,834,455)</u></u>	<u><u>9,430,250</u></u>

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	Retained earnings £	Fair value reserve £	Total equity £
<b>Balance at 1 April 2021</b>	10,819,195	(446,871)	10,372,324
<b>Changes in equity</b>			
Total comprehensive income	(380,868)	(433,459)	(814,327)
<b>Balance at 31 March 2022</b>	<u>10,438,327</u>	<u>(880,330)</u>	<u>9,557,997</u>
<b>Changes in equity</b>			
Total comprehensive income	<u>1,565,078</u>	<u>(1,954,125)</u>	<u>(389,047)</u>
<b>Balance at 31 March 2023</b>	<u><u>12,003,405</u></u>	<u><u>(2,834,455)</u></u>	<u><u>9,168,950</u></u>

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	5,408,365	1,070,285
Interest paid		(294,301)	(278,265)
Tax paid		(1,116)	-
Net cash from operating activities		<u>5,112,948</u>	<u>792,020</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(782,663)	(3,455,849)
Purchase of tangible fixed assets		(12,376)	(32,164)
Purchase of fixed asset investments		(1,964,627)	(749,186)
Sale of tangible fixed assets		24,987	-
Sale of fixed asset investments		216,827	41,694
Net cash from investing activities		<u>(2,517,852)</u>	<u>(4,195,505)</u>
<b>Cash flows from financing activities</b>			
New loans in year		3,079,538	3,391,287
Loan repayments in year		(5,048,156)	-
Net cash from financing activities		<u>(1,968,618)</u>	<u>3,391,287</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		626,478	(12,198)
<b>Cash and cash equivalents at beginning of year</b>	2	996,131	1,008,329
<b>Cash and cash equivalents at end of year</b>	2	<u><u>1,622,609</u></u>	<u><u>996,131</u></u>

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

**1. RECONCILIATION OF DEFICIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2023 £	2022 £
Deficit before taxation	(431,490)	(756,240)
Depreciation charges	29,310	26,583
Profit on disposal of fixed assets	(3,641)	-
Loss on revaluation of fixed assets	1,954,125	424,338
Amortisation charges	880,330	40,608
Finance costs	339,551	278,265
	<u>2,768,185</u>	<u>13,554</u>
(Increase)/decrease in stocks	(2,547)	5,627
Decrease in trade and other debtors	2,355,380	1,205,978
Increase/(decrease) in trade and other creditors	287,347	(154,874)
	<u>5,408,365</u>	<u>1,070,285</u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 March 2023**

	31.3.23 £	1.4.22 £
Cash and cash equivalents	<u>1,622,609</u>	<u>996,131</u>

**Year ended 31 March 2022**

	31.3.22 £	1.4.21 £
Cash and cash equivalents	<u>996,131</u>	<u>1,008,329</u>

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.4.22 £	Cash flow £	At 31.3.23 £
<b>Net cash</b>			
Cash at bank and in hand	<u>996,131</u>	<u>626,478</u>	<u>1,622,609</u>
	<u>996,131</u>	<u>626,478</u>	<u>1,622,609</u>
<b>Debt</b>			
Debts falling due within 1 year	(597,172)	(1,604,008)	(2,201,180)
Debts falling due after 1 year	(10,794,116)	3,527,376	(7,266,740)
	<u>(11,391,288)</u>	<u>1,923,368</u>	<u>(9,467,920)</u>
<b>Total</b>	<u>(10,395,157)</u>	<u>2,549,846</u>	<u>(7,845,311)</u>

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**1. STATUTORY INFORMATION**

Cheshire & Warrington Local Enterprise Partnership is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Basis of consolidation**

The Group financial statements consolidate the results of the Company and its subsidiary undertakings. The results of subsidiaries acquired are consolidated for the periods from which control passes to the Group. Acquisitions are accounted for under the acquisition method.

**Significant judgements and estimates**

The group continually reviews its approach to estimations and judgements within the financial statements with a view to mitigate material misstatements. Historical experience along with other factors are used to create prudent accounting policies. Combining these policies with informed forecasts of the group's future, enables fair and consistent assumptions and estimates to be concluded.

Significant provisions are monitored by management and best estimates are maintained in accordance with any legal or contractual requirements.

Where material fair value estimates have been made in relation to intangible assets, the group has appointed external advisors to sanction the appropriateness of the figures included within the financial statements.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Intangible assets**

Intangible assets represents costs incurred by the company on development of the Enterprise Zone and funding provided to companies within the Enterprise Zone. The expenditure will generate increased business rates which will accrue to CWLEP.

The Enterprise Zone asset is being amortised over periods that match those over which income will be received. These range between 6 and 17 years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 33% on cost
Fixtures and fittings	- 33% on cost and 20% on cost
Computer equipment	- 33% on cost

**Government grants**

Grants are included in the income statement on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

The company and its subsidiaries are grant aided local agency organisations and their economic advisory activities are wholly maintained by contributions from altruistic member organisations. As a result the net surplus arising from these activities is treated as non-trading by virtue of Section 79 of the Income and Corporation Taxes Act 1988. The company and its subsidiaries are liable to corporation tax on bank interest and other investment income.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Investments in subsidiaries**

Investments in subsidiaries are accounted for at cost less, where appropriate, allowances for impairment.

**Cash and cash equivalents**

Cash in the statement of financial position comprises cash at banks and on hand less bank overdrafts.

**Interest-bearing loans and borrowings**

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance revenue in the income statement.

**Financial liabilities**

A financial liability is recorded at transaction price and is derecognised when the obligation under the liability is discharged or cancelled or expires.

**Trade debtors**

Trade debtors are recognised at cost less provision for doubtful debts. The recoverability of trade debtors is reviewed on an ongoing basis. A provision for doubtful debtors is established when collection of the full nominal amount is no longer probable. Bad debts are written off as incurred.

**Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period, and are discounted to present value where the effect is material.

**Employee benefits**

**(a) Wages and salaries and annual leave**

Liabilities for wages and salaries and annual leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. They are expected to be settled within one year.

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. ACCOUNTING POLICIES - continued**

**(b) Pensions**

The Group makes contributions to employees' pension schemes. Contributions to this scheme are recognised in profit or loss in the period in which they become payable.

**3. EMPLOYEES AND DIRECTORS**

	2023	2022
	£	£
Wages	2,054,576	2,038,773
Social security costs	236,908	219,509
Other pension costs	62,911	69,507
	<u>2,354,395</u>	<u>2,327,790</u>

Of the above salary expense a total of £1,162,765 (2022: £1,039,623) was recharged for work on the delivery of projects.

The average monthly number of employees during the year was as follows:

	2023	2022
Senior leadership	3	5
Policy and strategy	7	7
Operations	33	35
Corporate services	5	5
	<u>48</u>	<u>52</u>

**Senior Employees**

The LEP has chosen to disclose the remuneration of senior employees. These include the statutory officers and any person having responsibility for the management of the LEP, to the extent that the person has power to direct or control the major activities of the LEP. The figures below relate to 2022/23:

<b>Job Title</b>	<b>Salary, Fees, Allowances &amp; Bonuses</b>	<b>Employer's Pension Contributions</b>	<b>Expenses Allowances</b>	<b>Total</b>
	£	£	£	£
Chief Executive	156,914	2,067	-	158,981
Deputy Chief Executive	114,332	4,573	-	118,905
Finance Director	97,682	3,907	-	101,589
Chair	26,000	-	-	26,000
Deputy Chair	10,000	-	-	10,000
	<u>404,928</u>	<u>10,547</u>	<u>-</u>	<u>415,475</u>

The directors' remuneration shown below represents the combined amount paid to the chair and deputy chair of the LEP.

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

	2023	2022
	£	£
Directors' remuneration	<u>36,000</u>	<u>36,000</u>

**4. OPERATING DEFICIT**

The operating deficit is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	29,310	26,583
Profit on disposal of fixed assets	(3,641)	-
Enterprise Zone amortisation	880,330	40,608
Auditors' remuneration - audit services	13,615	9,100
Auditors' remuneration - accounting services	<u>3,020</u>	<u>2,520</u>

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2023	2022
	£	£
Loan interest	<u>339,551</u>	<u>278,265</u>

**6. TAXATION**

**Analysis of the tax charge**

The tax charge on the deficit for the year was as follows:

	2023	2022
	£	£
Current tax:		
Under provision in prior year	<u>1,116</u>	-
Tax on deficit	<u>1,116</u>	<u>-</u>

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2023	2022
	£	£
Deficit before tax	<u>(431,490)</u>	<u>(756,240)</u>
Deficit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	(81,983)	(143,686)
Effects of:		
Adjustments to tax charge in respect of previous periods	1,116	-
Income not charged	<u>81,983</u>	<u>143,686</u>
Total tax charge	<u>1,116</u>	<u>-</u>

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**7. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**8. INTANGIBLE FIXED ASSETS**

**Group**

	Enterprise Zone £
<b>COST</b>	
At 1 April 2022	8,581,991
Additions	782,663
	<hr/>
At 31 March 2023	9,364,654
	<hr/>
<b>AMORTISATION</b>	
At 1 April 2022	162,435
Amortisation for year	880,330
	<hr/>
At 31 March 2023	1,042,765
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 March 2023	8,321,889
	<hr/> <hr/>
At 31 March 2022	8,419,556
	<hr/> <hr/>

**Company**

	Enterprise Zone £
<b>COST</b>	
At 1 April 2022	8,581,991
Additions	782,663
	<hr/>
At 31 March 2023	9,364,654
	<hr/>
<b>AMORTISATION</b>	
At 1 April 2022	162,435
Amortisation for year	880,330
	<hr/>
At 31 March 2023	1,042,765
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 March 2023	8,321,889
	<hr/> <hr/>
At 31 March 2022	8,419,556
	<hr/> <hr/>

The amount capitalised in respect of the Enterprise Zone represents costs incurred by the company on investment, marketing and development and funding provided to companies within the Enterprise Zone. The company is benefitting from an income stream derived from a proportion of the zone's business rates. The directors anticipate that the present value of the future income will significantly exceed the capitalised costs.

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**9. TANGIBLE FIXED ASSETS**

**Group**

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2022	24,987	10,824	115,136	150,947
Additions	-	-	12,376	12,376
Disposals	(24,987)	-	-	(24,987)
At 31 March 2023	-	10,824	127,512	138,336
<b>DEPRECIATION</b>				
At 1 April 2022	2,749	9,082	91,138	102,969
Charge for year	-	1,742	27,568	29,310
Eliminated on disposal	(2,749)	-	-	(2,749)
At 31 March 2023	-	10,824	118,706	129,530
<b>NET BOOK VALUE</b>				
At 31 March 2023	-	-	8,806	8,806
At 31 March 2022	22,238	1,742	23,998	47,978

**Company**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2022	10,824	91,239	102,063
Additions	-	10,895	10,895
At 31 March 2023	10,824	102,134	112,958
<b>DEPRECIATION</b>			
At 1 April 2022	9,082	73,104	82,186
Charge for year	1,742	23,786	25,528
At 31 March 2023	10,824	96,890	107,714
<b>NET BOOK VALUE</b>			
At 31 March 2023	-	5,244	5,244
At 31 March 2022	1,742	18,135	19,877

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**10. FIXED ASSET INVESTMENTS**

**Group**

	GM & Cheshire LSF Investment £
<b>COST OR VALUATION</b>	
At 1 April 2022	8,250,437
Additions	1,964,627
Disposals	(215,935)
Revaluations	(1,954,125)
	<u>8,045,004</u>
At 31 March 2023	<u>8,045,004</u>
<b>NET BOOK VALUE</b>	
At 31 March 2023	<u><u>8,045,004</u></u>
At 31 March 2022	<u><u>8,250,437</u></u>

The above investment represents the group's share of the investments held by the Greater Manchester & Cheshire Life Science Fund Limited Partnership and the G M C Life Sciences Fund L.P.

**Company**

	Shares in group undertakings £	GM & Cheshire LSF Investment £	Totals £
<b>COST OR VALUATION</b>			
At 1 April 2022	1	8,250,437	8,250,438
Additions	-	1,964,627	1,964,627
Disposals	-	(215,935)	(215,935)
Revaluations	-	(1,954,125)	(1,954,125)
		<u>8,045,004</u>	<u>8,045,005</u>
At 31 March 2023	<u>1</u>	<u>8,045,004</u>	<u>8,045,005</u>
<b>NET BOOK VALUE</b>			
At 31 March 2023	<u><u>1</u></u>	<u><u>8,045,004</u></u>	<u><u>8,045,005</u></u>
At 31 March 2022	<u><u>1</u></u>	<u><u>8,250,437</u></u>	<u><u>8,250,438</u></u>

The shares in group undertakings represent the company's 100% control of CWTB, which is registered in England and Wales and is a Destination Management Organisation for Tourist Information and Visitor services.

The above investment represents that company's share of the investments held by the Greater Manchester & Cheshire Life Sciences Fund Limited Partnership and the G M C Life Sciences Fund L.P.

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**11. STOCKS**

	<b>Group</b>	
	2023	2022
	£	£
Stocks	34,082	31,535
	<u>34,082</u>	<u>31,535</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	718,815	496,925	682,238	414,493
Other debtors	1,168,907	3,500,058	1,168,907	3,500,058
Amounts due from group undertakings	-	-	-	105,704
Prepayments and accrued income	333,387	579,506	283,460	206,083
	<u>2,221,109</u>	<u>4,576,489</u>	<u>2,134,605</u>	<u>4,226,338</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2023	2022	2023	2022
	£	£	£	£
Other loans (see note 15)	2,201,180	597,172	2,201,180	597,172
Trade creditors	119,121	209,149	80,799	134,397
Social security and other taxes	194,271	153,310	171,335	136,595
Other creditors	7,247	64,862	1,813	-
Amounts due from group undertakings	-	-	25,039	-
Amounts due to related undertakings	9,321	6,774	-	-
Accruals and deferred income	1,025,369	633,887	949,801	533,842
	<u>3,556,509</u>	<u>1,665,154</u>	<u>3,429,967</u>	<u>1,402,006</u>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2023	2022	2023	2022
	£	£	£	£
Other loans (see note 15)	7,266,740	10,794,116	7,266,740	10,794,116
	<u>7,266,740</u>	<u>10,794,116</u>	<u>7,266,740</u>	<u>10,794,116</u>

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**15. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	2023	2022	2023	2022
	£	£	£	£
Amounts falling due within one year or on demand:				
Other loans	904,305	597,172	904,305	597,172
No description	1,296,875	-	1,296,875	-
	<u>2,201,180</u>	<u>597,172</u>	<u>2,201,180</u>	<u>597,172</u>
Amounts falling due between one and two years:				
Other loans - 1-2 years	<u>1,457,352</u>	<u>817,483</u>	<u>1,457,352</u>	<u>817,483</u>
Amounts falling due between two and five years:				
Other loans - 2-5 years	<u>1,777,320</u>	<u>2,623,174</u>	<u>1,777,320</u>	<u>2,623,174</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Other loans more 5yrs instal	<u>4,032,068</u>	<u>7,353,459</u>	<u>4,032,068</u>	<u>7,353,459</u>

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>	
	2023	2022
	£	£
Other loans	8,171,045	-
	<u>8,171,045</u>	<u>-</u>

At 31 March 2023, the facilities with Cheshire East Council, Cheshire West and Chester Council and Warrington Borough Council total £8,171,045 (2022: £11,391,288). Of the six projects, the first two facilities are with Cheshire East Council, the next three are with Cheshire West and Chester Council and the sixth is with Warrington Borough Council.

The loans are without recourse above the business rates received by the LEP.

There are six parts to this loan, the first drawdown was the Glasshouse project for £3,986,983, the termination date is 31 October 2032. The interest rate on the loan is 3.13%. The balance at 31 March 2023, including accrued interest, is £3,825,222.

The second drawdown was the Blocks 22-24 project for £4,013,018, the termination date is 31 October 2036. The interest rate on the loan is 3.26%. The balance at 31 March 2023, including accrued interest, is £0. This loan was fully repaid during the year.

The third drawdown was the Helix Phase 2 project for £700,039, the termination date is 31 October 2038. The interest rate on the loan is 4.05%. The balance at 31 March 2023, including accrued interest, is £674,052.

The fourth drawdown was the Aviator Phase 1 project for £1,495,428, the termination date is 31 October 2033. The interest rate on the loan is 4.05%. The balance at 31 March 2023, including accrued interest, is £1,396,693.

The fifth drawdown was the Newport Rhino project for £844,722, the termination date is 31 October 2031. The interest rate on the loan is 4.05%. The balance at 31 March 2023, including accrued interest, is £770,677.

The sixth drawdown was the Quadrant Phase 2 project for £1,782,663, the termination date is 31 October 2028. The interest rate on the loan is 4.70%. The balance at 31 March 2023, including accrued interest, is £1,504,401.

**17. RESERVES**

**Group**

	Income and expenditure account £	Fair value reserve £	Totals £
At 1 April 2022	10,743,186	(880,330)	9,862,856
Deficit for the year	(432,606)		(432,606)
Fair value transfer	1,954,125	(1,954,125)	-
At 31 March 2023	<u>12,264,705</u>	<u>(2,834,455)</u>	<u>9,430,250</u>

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023**

**17. RESERVES - continued**

**Company**

	Income and expenditure account £	Fair value reserve £	Totals £
At 1 April 2022	10,438,327	(880,330)	9,557,997
Deficit for the year	(389,047)		(389,047)
Fair value transfer	1,954,125	(1,954,125)	-
At 31 March 2023	<u>12,003,405</u>	<u>(2,834,455)</u>	<u>9,168,950</u>

**18. FUNDING COMMITMENTS**

The LEP has committed to providing funding totalling £5m to G M C Life Sciences Fund L.P. Prior to the year end £1,296,875 of the £5m has been paid over.

**19. RELATED PARTY DISCLOSURES**

During the year the company entered into transactions in the normal course of business with the following member organisations, in which common directors have non financial interests, to deliver the economic development services in the Cheshire and Warrington sub region.

**Contributions received towards operating costs:**

Warrington Borough Council	£50,250
Cheshire East Borough Council	£81,250
Cheshire West and Chester Borough Council	£201,250

**Amounts paid for projects in year:**

Warrington Borough Council	£473
Cheshire East Borough Council	£28,573
Cheshire West and Chester Borough Council	£37,000

The amounts outstanding from/(to) member organisations by the company are summarised as follows:

Warrington Borough Council	£0	(2022 - £52,880)
Cheshire East Borough Council	£1,658,028	(2022 - £3,698,027)
Cheshire West & Chester Borough Council	£7,698	(2022 - £49,689)

Other loan balances outstanding at the year end, which have been provided by member organisations:

Warrington Borough Council	£1,504,401	(2022 - £0)
Cheshire East Borough Council	£3,825,222	(2022 - £8,330,858)
Cheshire West & Chester Borough Council	£2,841,421	(2022 - £3,060,430)

**20. LIMITED LIABILITY**

Liability is limited by guarantee to £1 per member. The number of members at the period end was five.

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**COMPANY DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2023**

	2023		2022	
	£	£	£	£
<b>Turnover</b>				
Local Authority Grants	595,490		261,003	
Central Government or Agency Grants (Core)	375,000		503,599	
Central Government or Agency Grants (Programme)	593,514		946,138	
Sundry income	1,559,952		-	
Other funding	219,344		180,103	
Enterprise Zone Retained Business Rates	1,165,066		1,107,991	
Northern Powerhouse 11	348,292		416,220	
EZ Retained business rates	1,121,263		-	
Management fee recovered	186,776		257,911	
	<u>                    </u>	6,164,697	<u>                    </u>	3,672,965
<b>Expenditure</b>				
Office costs	34,683		41,727	
Directors' salaries	36,000		36,000	
Directors' social security	2,527		2,527	
Wages	600,688		673,325	
Social security	105,169		90,131	
Pensions	22,618		21,796	
Recruitment costs	7,880		1,666	
Telephone	2,894		5,011	
Consultancy and third party support	96,991		97,740	
Travel and subsistence	6,335		2,025	
IT support	69,041		58,535	
Subscriptions	33,578		35,000	
Training and development	7,506		15,219	
Bank charges	260		284	
Programme costs	1,581,992		1,786,730	
Local industrial strategy	126,406		194,816	
Legal and professional	83,185		25,069	
Communications, PR and website	147,404		165,113	
Northern Powerhouse 11	323,736		415,392	
Auditors' remuneration	9,495		9,491	
Other expenditure	55,598		46,535	
	<u>                    </u>	3,353,986	<u>                    </u>	3,724,132
		<u>                    </u>		<u>                    </u>
		2,810,711		(51,167)
<b>Finance costs</b>				
Loan interest		339,551		278,265
		<u>                    </u>		<u>                    </u>
		2,471,160		(329,432)
<b>Depreciation</b>				
Enterprise Zone	880,330		40,609	
Fixtures and fittings	1,742		1,901	
Computer equipment	23,786		18,047	
	<u>                    </u>	905,858	<u>                    </u>	60,557
		<u>                    </u>		<u>                    </u>
Carried forward		1,565,302		(389,989)

This page does not form part of the statutory financial statements

**CHESHIRE & WARRINGTON LOCAL  
ENTERPRISE PARTNERSHIP**

**COMPANY DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2023**

	2023		2022	
	£	£	£	£
Brought forward		1,565,302		(389,989)
<b>Profit on disposal of fixed assets</b>				
Profit on disposal of investments		892		-
		<u>1,566,194</u>		<u>(389,989)</u>
<b>Gain/loss on revaluation of assets</b>				
Gain/loss on revaluation of investments		(1,954,125)		(424,338)
<b>NET DEFICIT</b>		<u><u>(387,931)</u></u>		<u><u>(814,327)</u></u>