

**CHESHIRE & WARRINGTON LOCAL ENTERPRISE  
PARTNERSHIP**

**STRATEGIC REPORT,**

**REPORT OF THE DIRECTORS AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2018**

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

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FOR THE YEAR ENDED 31 MARCH 2018**

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**CHESHIRE & WARRINGTON LOCAL ENTERPRISE  
PARTNERSHIP**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2018**

**DIRECTORS:**

C A Gaskell  
T J Wheeler  
G A Barlow  
T E M David  
P Waterman  
T P O'Neill  
C E Hayward  
R J Mee  
S K Dixon  
R Bailey  
S K Kinsey  
G M Bristow  
J A Downes  
G J Steen  
C J Hindley

**REGISTERED OFFICE:**

Floor 1  
Wyvern House  
The Drummer  
Winsford  
Cheshire  
CW7 1AH

**REGISTERED NUMBER:**

04453576 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Michael Benson

**AUDITORS:**

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

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

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2018**

The directors present their Strategic report, together with the Directors' report, the financial statements and auditors' report, for Cheshire & Warrington Local Enterprise Partnership ("the Company") for the year ended 31 March 2018.

**BUSINESS REVIEW**

The income and expenditure account is set out on page 7. The deficit for the year of £75,837 has been transferred to reserves (2017: £145,099 surplus).

2017/18 has been another significant year for the LEP with an increasing focus from Government on the role LEP's play in setting the direction for economic growth through strong partnerships with the private and public sector, alongside an increasing emphasis on the importance of governance and transparency.

The LEP published its revised Strategic Economic Plan which, working closely with our three local authorities Cheshire West and Chester Council, Cheshire East Council and Warrington Borough Council, set out ambitions to deliver a £50 billion economy for Cheshire and Warrington by 2040, creating 120,000 new jobs and 127,000 new homes.

There is a firm commitment from all partners to continue to work collaboratively and while devolution deal discussions with government continue, delivery continues apace.

The Enterprise Zone has seen rapid growth with significant new investment. The LEP is keen to build on this early success and to work with partners to ensure that we realise the full growth potential, using early growth to drive further investment.

2017/18 saw continued momentum through the Local Growth Deal, with £18.45m spent on schemes in the portfolio. As at the end of March 2018 over £70m of the £143m Local Growth fund had been spent (49%). Within the year, Chester Bus interchange completed, Warrington West Station project started, and significant progress was made with the M62 J8 scheme and the new facilities at Reaseheath, all of which are expected to complete in the early part of 2018/19.

Together with our responsibility for investing European Structural Fund and the Growing Places Fund, the LEP is responsible for £1/4 billion of investment into Cheshire and Warrington, and we continue to ensure that all projects are delivered on time, on budget, and deliver maximum economic impact.

We have also continued to grow and develop our organisational structure and capability, with the appointment of a new Growth Director, Skills Director and Programme Manager, the LEP is now equipped to provide strategic oversight in these areas.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risk facing the Company arises from reliance on national and local government funding.

The Company's senior management regularly review this risk and the potential impact on the Company and take mitigating action as necessary.

**GOING CONCERN**

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

**ON BEHALF OF THE BOARD:**

C A Gaskell - Director

11 July 2018

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

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2018**

The directors present their report with the financial statements of the company for the year ended 31 March 2018.

**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 2017 to the date of this report.

C A Gaskell  
T J Wheeler  
G A Barlow  
T E M David  
P Waterman  
T P O'Neill  
C E Hayward  
R J Mee  
S K Dixon  
R Bailey

Other changes in directors holding office are as follows:

S K Kinsey - appointed 1 April 2017  
G M Bristow - appointed 1 April 2017  
J A Downes - appointed 1 April 2017  
G J Steen - appointed 1 April 2017  
C J Hindley - appointed 1 April 2017

**EMPLOYMENT POLICIES**

The company is committed to the principle of equal opportunities in employment and to ensuring that all employees receive fair treatment irrespective of their sex, religion, ethnic origin, or disability. The company is committed to improving the skills of its people. Through training and development and nurturing a culture in which they feel valued, the company encourages them to work to their full potential. The company has regular and open communication channels to involve staff in business developments.

**CORPORATE GOVERNANCE**

The Board is committed to high standards of corporate governance and meets regularly. A number of matters are reserved for the Board's approval including the overall strategy for the company, annual budgets and business plans, major items of expenditure on projects and funding requirements from key stakeholders.

The Board has delegated responsibilities to the following committees, formally constituted with terms of reference:

Finance and Audit Committee  
T J Wheeler  
S A Kinsey  
G M Bristow

The Finance and Audit Committee oversees the effective operation of financial control and management reporting, and makes recommendations on the appointment of external auditors.

Appointments and Remuneration Committee  
R P Davis  
T E M David  
J A Downes

Appointments and Remuneration Committee oversees the identification and recommendation of the new directors to the Board and all strategy and policy matters on salaries and terms of employment of company employees.

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

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2018**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the 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 of the surplus or deficit of the company 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**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 company'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 company's auditors are aware of that information.

**AUDITORS**

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

**ON BEHALF OF THE BOARD:**

C A Gaskell - Director

11 July 2018

# **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 'company') for the year ended 31 March 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the 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).

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.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its 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 company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The directors are responsible for the other information. The other information comprises the information in the 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 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, 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.

## **Opinion 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 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 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 four, 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 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 company or to cease operations, or have no realistic alternative but to do so.

**Our 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.

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.

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

11 July 2018



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

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
<b>TURNOVER</b>		1,825,889	1,699,997
Administrative expenses		<u>1,902,726</u>	<u>1,556,898</u>
<b>OPERATING (DEFICIT)/SURPLUS</b>	4	(76,837)	143,099
Other finance income	11	<u>1,000</u>	<u>2,000</u>
<b>(DEFICIT)/SURPLUS BEFORE TAXATION</b>		(75,837)	145,099
Tax on (deficit)/surplus	5	<u>-</u>	<u>-</u>
<b>(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR</b>		<u><u>(75,837)</u></u>	<u><u>145,099</u></u>

The notes form part of these financial statements

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

**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2018**

Notes	2018 £	2017 £
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>	(75,837)	145,099
<b>OTHER COMPREHENSIVE INCOME</b>		
Actuarial gain/(loss) on retirement benefit scheme	45,000	(29,000)
Income tax relating to other comprehensive income	-	-
	<hr/>	<hr/>
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>	45,000	(29,000)
	<hr/>	<hr/>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	(30,837)	116,099
	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

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

**BALANCE SHEET  
31 MARCH 2018**

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Intangible assets	6	203,044	203,044
Tangible assets	7	973	-
		<u>204,017</u>	<u>203,044</u>
<b>CURRENT ASSETS</b>			
Debtors	8	59,471	244,132
Cash at bank		284,524	482,467
		<u>343,995</u>	<u>726,599</u>
<b>CREDITORS</b>			
Amounts falling due within one year	9	280,700	585,494
<b>NET CURRENT ASSETS</b>			
		<u>63,295</u>	<u>141,105</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		267,312	344,149
<b>PENSION ASSET</b>	12	92,000	46,000
<b>NET ASSETS</b>		<u>359,312</u>	<u>390,149</u>
<b>RESERVES</b>			
Income and expenditure account	11	359,312	390,149
		<u>359,312</u>	<u>390,149</u>

The financial statements were approved by the Board of Directors on 11 July 2018 and were signed on its behalf by:

C A Gaskell - Director

T J Wheeler - Director

The notes form part of these financial statements

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

	Retained earnings £	Total equity £
<b>Balance at 1 April 2016</b>	274,050	274,050
<b>Changes in equity</b>		
Total comprehensive income	116,099	116,099
<b>Balance at 31 March 2017</b>	<u>390,149</u>	<u>390,149</u>
<b>Changes in equity</b>		
Total comprehensive income	(30,837)	(30,837)
<b>Balance at 31 March 2018</b>	<u><u>359,312</u></u>	<u><u>359,312</u></u>

The notes form part of these financial statements

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

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(196,813)	413,334
Net cash from operating activities		<u>(196,813)</u>	<u>413,334</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		-	(203,044)
Purchase of tangible fixed assets		(1,130)	(8,716)
Net cash from investing activities		<u>(1,130)</u>	<u>(211,760)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(197,943)</u>	<u>201,574</u>
<b>Cash and cash equivalents at beginning of year</b>	2	482,467	280,893
<b>Cash and cash equivalents at end of year</b>	2	<u><u>284,524</u></u>	<u><u>482,467</u></u>

The notes form part of these financial statements

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

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2018**

**1. RECONCILIATION OF (DEFICIT)/SURPLUS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2018	2017
	£	£
(Deficit)/surplus before taxation	(75,837)	145,099
Depreciation charges	157	15,480
Pension charges less cash contributions	-	(19,000)
Finance income	(1,000)	(2,000)
	<u>(76,680)</u>	<u>139,579</u>
Decrease in trade and other debtors	184,661	20,970
(Decrease)/increase in trade and other creditors	<u>(304,794)</u>	<u>252,785</u>
<b>Cash generated from operations</b>	<u><u>(196,813)</u></u>	<u><u>413,334</u></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 2018**

	31.3.18	1.4.17
	£	£
Cash and cash equivalents	<u>284,524</u>	<u>482,467</u>

**Year ended 31 March 2017**

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	<u>482,467</u>	<u>280,893</u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

**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 Company Information page.

**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.

**Turnover**

Turnover represents income from grants and donations received and the invoice value of subscriptions excluding Value Added Tax.

**Intangible assets**

Intangible assets are stated at cost less amortisation.

Amortisation is charged by equal annual instalments, commencing with the period in which income first begins to be generated by the asset, so as to write off the cost over its useful economic life.

**Tangible fixed assets**

Fixed assets are stated at cost. Depreciation is being charged by equal annual instalments, commencing with the period in which the assets are first available for use, so as to write off each asset's cost, less any residual value, over its expected useful economic life. The following rates of depreciation have been used:-

Computer equipment	- 33.3% Straight line
Fixtures & Fittings	- 20% Straight line

**Taxation**

The company is a grant aided local agency organisation and its 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 is 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.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

**2. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

For defined benefit schemes the amount charged to the income and expenditure account in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. The interest cost and expected return on assets are included within other finance costs. Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the Statement of Total Recognised Gains and Losses.

Defined benefit schemes are funded, with assets held separately from the company in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the company has a legal or constructive obligation to settle the liability.

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**Grants**

The income from grants is released to the profit and loss account as to apply the accruals concept of matching income and expenditure. Income is only recognised when there is reasonable assurance that the grant will be received.



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

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

**3. EMPLOYEES AND DIRECTORS**

	2018	2017
	£	£
Wages	575,135	329,972
Social security costs	66,891	39,192
Other pension costs	66,226	41,051
	<u>708,252</u>	<u>410,215</u>

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

	2018	2017
Employees	<u>9</u>	<u>6</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 2017/18:

Job Title	Salary, Fees, Allowances & Bonuses £	Employer's Pension Contributions £	Expenses Allowances £	Total £
Chief Executive	127,512	15,302	-	142,814
Deputy Chief Executive	113,120	11,312	-	124,432
	<u>240,632</u>	<u>26,614</u>	<u>-</u>	<u>267,246</u>

The directors' remuneration shown below is paid to the chair of the LEP.

	2018	2017
	£	£
Directors' remuneration	<u>20,810</u>	<u>20,604</u>

**4. OPERATING (DEFICIT)/SURPLUS**

The operating deficit (2017 - operating surplus) is stated after charging:

	2018	2017
	£	£
Depreciation - owned assets	157	15,480
Auditors' remuneration	3,391	3,114
Accountancy	<u>10,555</u>	<u>2,769</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

**5. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 31 March 2018 nor for the year ended 31 March 2017.

**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:

	2018 £	2017 £
(Deficit)/surplus before tax	(75,837)	145,099
(Deficit)/surplus multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%)	(14,409)	29,020
Effects of: Income not chargeable as from members	14,409	(29,020)
Total tax charge	-	-

**Tax effects relating to effects of other comprehensive income**

	Gross £	2018 Tax £	Net £
Actuarial gain/(loss) on retirement benefit scheme	45,000	-	45,000
	45,000	-	45,000
	Gross £	2017 Tax £	Net £
Actuarial gain/(loss) on retirement benefit scheme	(29,000)	-	(29,000)
	(29,000)	-	(29,000)

**6. INTANGIBLE FIXED ASSETS**

**COST**

At 1 April 2017  
and 31 March 2018

Enterprise  
zone  
£

203,044

**NET BOOK VALUE**

At 31 March 2018

203,044

At 31 March 2017

203,044

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

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

**6. INTANGIBLE FIXED ASSETS - continued**

The amount capitalised in respect of the Enterprise Zone represents costs incurred by the company on marketing and development during the year. In future years the company will benefit from an income stream derived from a proportion of the zone's business rates. The directors anticipate that the present value of this income will significantly exceed the capitalised costs.

**7. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 April 2017	9,257	89,561	98,818
Additions	-	1,130	1,130
	<hr/>	<hr/>	<hr/>
At 31 March 2018	9,257	90,691	99,948
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 April 2017	9,257	89,561	98,818
Charge for year	-	157	157
	<hr/>	<hr/>	<hr/>
At 31 March 2018	9,257	89,718	98,975
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 March 2018	-	973	973
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2017	-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	2018 £	2017 £
Trade debtors	41,922	34,912
Other debtors	376	927
Social security and other taxes	5,396	18,312
Prepayments and accrued income	11,777	189,981
	<hr/>	<hr/>
	59,471	244,132
	<hr/> <hr/>	<hr/> <hr/>

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

	2018 £	2017 £
Trade creditors	122,267	274,457
Social security and other taxes	25,590	19,964
Other creditors	-	115
Accruals and deferred income	132,843	290,958
	<hr/>	<hr/>
	280,700	585,494
	<hr/> <hr/>	<hr/> <hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

**10. LEASING AGREEMENTS**

The following operating lease payments are committed to be paid:

	Other operating leases	
	2018	2017
	£	£
Expiring:		
Within one year	25,981	741
Between one and five years	107,937	1,049
	<u>133,918</u>	<u>1,790</u>

**11. RESERVES**

	Income and expenditure account £
At 1 April 2017	390,149
Deficit for the year	(75,837)
Actuarial gain or loss on defined benefit pension scheme	<u>45,000</u>
At 31 March 2018	<u>359,312</u>

**12. EMPLOYEE BENEFIT OBLIGATIONS**

The company participates in a "multi-employer" scheme, "Cheshire Pension Fund", the assets of which are held in a separate trustee administered fund. Contributions are paid into the scheme in accordance with the recommendations of an independent actuary on the basis of triennial valuations.

In accordance with the Scheme's actuarial advice the company is making contributions of £23,000 each year for the foreseeable future from the year ending 31 March 2018 to address the deficit.

The three local authority members have committed to meet any pension deficit should the company not be able to discharge its liabilities.

The latest actuarial valuation was carried out at 31 March 2018.

**CHESHIRE & WARRINGTON LOCAL ENTERPRISE  
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**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

**12. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in surplus or deficit are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Current service cost	-	1,000
Net interest from net defined benefit asset/liability	(1,000)	(2,000)
Past service cost	-	-
	<u>(1,000)</u>	<u>(1,000)</u>
Actual return on plan assets	<u>71,000</u>	<u>71,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Opening defined benefit obligation	2,555,000	2,516,000
Current service cost	-	1,000
Interest cost	66,000	87,000
Actuarial losses/(gains)	(41,000)	11,000
Benefits paid	(61,000)	(60,000)
	<u>2,519,000</u>	<u>2,555,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Opening fair value of scheme assets	2,601,000	2,570,000
Contributions by employer	-	20,000
Expected return	67,000	89,000
Actuarial gains/(losses)	4,000	(18,000)
Benefits paid	(61,000)	(60,000)
	<u>2,611,000</u>	<u>2,601,000</u>

**CHESHIRE & WARRINGTON LOCAL ENTERPRISE  
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**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

**12. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Actuarial gains/(losses)	45,000	(29,000)
	<u>45,000</u>	<u>(29,000)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2018	2017
	£	£
Equities	1,201,000	1,144,000
Bonds	1,097,000	1,223,000
Property	209,000	182,000
Cash	104,000	52,000
	<u>2,611,000</u>	<u>2,601,000</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2018	2017
Discount rate	2.70%	2.60%
Future salary increases	2.70%	2.70%
Future pension increases	2.40%	2.40%

**CHESHIRE & WARRINGTON LOCAL ENTERPRISE  
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**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

**13. 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	£41,667
Cheshire East Council	£41,667
Cheshire West and Chester Council	£41,667

Government Core Funding and Growing Places Fund operating costs totalling £1,609,967 (2017 - £1,230,886) was also received through Cheshire East Council in its role as the accountable body.

**Amounts paid for projects in year:**

Warrington Borough Council	£18,747
Cheshire East Council	£67,067
Cheshire West and Chester Council	£27,373

In addition to the above, Cheshire West and Chester Council waived the annual rent charge to the company which would have amounted to £27,000pa. The LEP relocated from these offices in September 2017 and following this move there will be no such waiver of rent.

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

Warrington Borough Council	£(547)	(2017 - £(15,498))
Cheshire East Council	£(42,767)	(2017 - £(41,209))
Cheshire West & Chester Council	£nil	(2017 - £nil)

**14. LIMITED LIABILITY**

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

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

**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2018**

	2018		2017	
	£	£	£	£
<b>Turnover</b>				
LA subscriptions	125,000		249,998	
LEP Core Funding	500,000		499,999	
Growing Places Fund - professional fees	200,000		249,999	
Growing Places Fund - interest fund	48,404		159,582	
Growth Hub - Blue Orchid fees	287,000		287,000	
Sundry income	115		1,900	
Local Growth Fund	114,777		204,119	
EU technical assistance	45,590		47,400	
Local Growth Fund - management fee	108,200		-	
BEIS Energy Strategy	50,000		-	
Enterprise Zone income	295,000		-	
Enterprise Zone grant	50,000		-	
Enterprise Zone - interest	1,803		-	
	<hr/>	1,825,889	<hr/>	1,699,997
<b>Expenditure</b>				
Rent	14,826		14,938	
Insurance	2,081		2,557	
Directors' salaries	20,810		20,604	
Directors' social security	1,746		1,724	
Wages	575,135		329,972	
Social security	66,891		39,192	
Pensions	66,226		41,051	
Recruitment costs	499		85,533	
Telephone	4,090		2,148	
Post, stationery and consumables	10,392		7,523	
Consultancy and third party support	168,611		383,805	
Travel and subsistence	30,962		25,383	
IT support	14,875		27,722	
Subscriptions	23,710		18,023	
Training and development	4,558		500	
Bank charges	244		237	
Internal meetings	259		2,250	
Office relocation	22,971		-	
Legal & professional	921		1,548	
Strategy development work	91,382		103,893	
Communications, PR and website	83,566		24,235	
Programme development	91,241		21,233	
Growth Hub - Blue Orchid	287,000		286,948	
Enterprise Zone - consultancy	80,969		-	
Enterprise Zone - staff and administrative costs	89,864		-	
Enterprise Zone - travel and subsistence	3,097		-	
Enterprise Zone - marketing and PR	76,854		-	
Accounting body charge	55,000		109,996	
Auditors' remuneration	3,391		3,114	
Accountancy	10,555		2,769	
	<hr/>	1,902,726	<hr/>	1,556,898
Carried forward		(76,837)		143,099

This page does not form part of the statutory financial statements



**CHESHIRE & WARRINGTON LOCAL ENTERPRISE  
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**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2018**

	2018		2017	
	£	£	£	£
Brought forward		(76,837)		143,099
<b>Other finance income/costs</b>				
Interest income on pension scheme assets	67,000		89,000	
Interest on pension scheme liabilities	(66,000)		(87,000)	
	<u>        </u>	1,000	<u>        </u>	2,000
<b>NET (DEFICIT)/SURPLUS</b>		<u><u>(75,837)</u></u>		<u><u>145,099</u></u>