

**CHESHIRE & WARRINGTON LOCAL ENTERPRISE
PARTNERSHIP**

STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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

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FOR THE YEAR ENDED 31 MARCH 2016**

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**CHESHIRE & WARRINGTON LOCAL ENTERPRISE
PARTNERSHIP**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2016**

DIRECTORS:

C A Gaskell
H R Hopwood
N R Schofield
T J Wheeler
R P Davis
G A Barlow
T E M David
M J Ashcroft
P Waterman
H L Morrissey
T P O'Neill
C E Hayward
R J Mee
S M Dixon
J I Christon
Cllr R Bailey

REGISTERED OFFICE:

Richmond House
Gadbrook Business Centre
Rudheath
Northwich
Cheshire
CW9 7TN

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 2016**

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 2016.

BUSINESS REVIEW

The income and expenditure account is set out on page 8. The deficit for the year of £523,695 has been transferred to reserves (2015: £273,975 surplus).

With LEPs across England playing an increasingly pivotal role in setting the direction for economic growth through strong partnerships with the private and public sector, 2015/16 has been a significant year for Cheshire and Warrington Local Enterprise Partnership (LEP).

The LEP led the submission of Cheshire and Warrington's Devolution Growth bid to Government, working closely with our three local authorities Cheshire West and Chester Council, Cheshire East Council and Warrington Borough Council, which set out ambitions to deliver a £50 billion economy for Cheshire and Warrington by 2040, creating 127,000 new jobs and 139,000 new homes.

There is a firm commitment from all partners to working collaboratively and devolution deal discussions are ongoing with government.

One of the proposals outlined in the bid that will generate real benefits for our economy was securing Enterprise Zone status for the Cheshire Science Corridor. This was awarded by Government in September 2015 in a bid led by the LEP, and we are working with partners to ensure that we realise this growth potential and generate significant new investment to drive further growth.

Following the award of £142.7m through a Local Growth Deal, the LEP has continued to drive the successful delivery of this programme, investing £14.5 million over the last year in key schemes including the Birchwood Pinchpoint scheme in Warrington, the Chester Central project to spearhead the wider Northgate development, and Greater Manchester and Cheshire Life Sciences Fund to support the growth of new life sciences businesses in Cheshire East.

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, with the appointment of a new Deputy Chief Executive, along with plans to recruit additional roles to support our skills and transport agenda, which will complete the LEP team in the year ahead.

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

9 November 2016

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2016**

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

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 2015 to the date of this report.

C A Gaskell
H R Hopwood
N R Schofield
T J Wheeler
R P Davis
G A Barlow
T E M David
M J Ashcroft
P Waterman
H L Morrissey
T P O'Neill

Other changes in directors holding office are as follows:

M K Jones - resigned 21 May 2015
M E Jones - resigned 25 February 2016
C E Hayward - appointed 5 June 2015
R J Mee - appointed 9 June 2015
S M Dixon - appointed 10 July 2015
J I Christon - appointed 11 November 2015
Cllr R Bailey - appointed 25 February 2016

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.

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2016**

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

M J Ashcroft
T J Wheeler
N R Schofield

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

T E M David
C Gaskell
R P Davis

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.

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.

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2016**

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

9 November 2016

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

We have audited the financial statements of Cheshire & Warrington Local Enterprise Partnership for the year ended 31 March 2016 on pages eight to twenty four. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

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

9 November 2016

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	2016 £	2015 £
TURNOVER		1,292,364	950,819
Administrative expenses		1,829,059	703,844
OPERATING (DEFICIT)/SURPLUS	3	(536,695)	246,975
Other finance income	10	13,000	27,000
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		(523,695)	273,975
Tax on (deficit)/surplus on ordinary activities	4	-	-
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		(523,695)	273,975

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 2016**

Notes	2016 £	2015 £
(DEFICIT)/SURPLUS FOR THE YEAR	(523,695)	273,975
OTHER COMPREHENSIVE INCOME		
Actuarial gain/(loss) on retirement benefit scheme	309,000	(76,000)
Income tax relating to other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>309,000</u>	<u>(76,000)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>(214,695)</u></u>	<u><u>197,975</u></u>

The notes form part of these financial statements

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

**BALANCE SHEET
31 MARCH 2016**

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Tangible assets	5		6,764		11,983
CURRENT ASSETS					
Debtors	6	265,102		54,995	
Cash at bank		280,893		629,010	
		545,995		684,005	
CREDITORS					
Amounts falling due within one year	7	332,709		55,005	
NET CURRENT ASSETS			213,286		629,000
TOTAL ASSETS LESS CURRENT LIABILITIES			220,050		640,983
CREDITORS					
Amounts falling due after more than one year	8		-		(1,238)
PENSION ASSET/(LIABILITY)	10		54,000		(151,000)
NET ASSETS			274,050		488,745
RESERVES					
Income and expenditure account	9		274,050		488,745
			274,050		488,745

The financial statements were approved by the Board of Directors on 9 November 2016 and were signed on its behalf by:

C A Gaskell - Director

H R Hopwood - 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 2016**

	Retained earnings £	Total equity £
Balance at 1 April 2014	290,770	290,770
Changes in equity		
Total comprehensive income	197,975	197,975
Balance at 31 March 2015	<u>488,745</u>	<u>488,745</u>
Changes in equity		
Total comprehensive income	(214,695)	(214,695)
Balance at 31 March 2016	<u><u>274,050</u></u>	<u><u>274,050</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 2016**

	Notes	2016 £	2015 £
Cash flows from operating activities			
Cash generated from operations	1	(347,505)	382,245
Net cash from operating activities		<u>(347,505)</u>	<u>382,245</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(612)	(5,568)
Net cash from investing activities		<u>(612)</u>	<u>(5,568)</u>
(Decrease)/increase in cash and cash equivalents		<u>(348,117)</u>	<u>376,677</u>
Cash and cash equivalents at beginning of year	2	629,010	252,333
Cash and cash equivalents at end of year	2	<u><u>280,893</u></u>	<u><u>629,010</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 2016**

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

	2016	2015
	£	£
(Deficit)/surplus before taxation	(523,695)	273,975
Depreciation charges	5,831	6,073
Pension charges less cash contributions	117,000	(38,000)
Finance income	(13,000)	(27,000)
	<u>(413,864)</u>	<u>215,048</u>
(Increase)/decrease in trade and other debtors	(210,107)	255,022
Increase/(decrease) in trade and other creditors	276,466	(87,825)
	<u>(143,748)</u>	<u>(32,803)</u>
Cash generated from operations	<u><u>(347,505)</u></u>	<u><u>382,245</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 2016

	31.3.16	1.4.15
	£	£
Cash and cash equivalents	<u>280,893</u>	<u>629,010</u>

Year ended 31 March 2015

	31.3.15	1.4.14
	£	£
Cash and cash equivalents	<u>629,010</u>	<u>252,333</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. 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.

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

Deferred tax

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

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.

Capital grants

These are treated as a deferred reserve and written off over the lifetime of the related assets.

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.

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 2016**

2. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	415,622	381,142
Social security costs	33,271	36,449
Other pension costs	193,030	38,456
	<u>641,923</u>	<u>456,047</u>

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

	2016	2015
Employees	<u>5</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 2015/16:

Job Title	Salary, Fees, Allowances & Bonuses £	Employer's Pension Contributions £	Expenses Allowances £	Total £
Chief Executive	125,000	15,000	339	140,339
Chief Operating Officer	110,571	40,678	70	151,319
	<u>235,571</u>	<u>55,678</u>	<u>409</u>	<u>291,658</u>

3. OPERATING (DEFICIT)/SURPLUS

The operating deficit (2015 - operating surplus) is stated after charging:

	2016	2015
	£	£
Depreciation - owned assets	5,831	6,073
Auditors' remuneration	3,289	2,935
Accountancy	17,897	4,565
	<u>20,500</u>	<u>20,000</u>

4. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2016 nor for the year ended 31 March 2015.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016**

4. TAXATION - continued

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:

	2016 £	2015 £
(Deficit)/surplus on ordinary activities before	(523,695)	273,975
(Deficit)/surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	(104,739)	54,795
Effects of:		
Income not chargeable as from members	104,739	(54,795)
Total tax charge	-	-

Tax effects relating to effects of other comprehensive income

	Gross £	2016 Tax £	Net £
Actuarial gain/(loss) on retirement benefit scheme	309,000	-	309,000
	<u>309,000</u>	<u>-</u>	<u>309,000</u>

	Gross £	2015 Tax £	Net £
Actuarial gain/(loss) on retirement benefit scheme	(76,000)	-	(76,000)
	<u>(76,000)</u>	<u>-</u>	<u>(76,000)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016**

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2015	8,645	80,845	89,490
Additions	612	-	612
	<hr/>	<hr/>	<hr/>
At 31 March 2016	9,257	80,845	90,102
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 April 2015	4,617	72,890	77,507
Charge for year	1,001	4,830	5,831
	<hr/>	<hr/>	<hr/>
At 31 March 2016	5,618	77,720	83,338
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2016	3,639	3,125	6,764
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2015	4,028	7,955	11,983
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	193,700	42,439
Other debtors	1,249	1,249
Social security and other taxes	34,431	-
Prepayments and accrued income	35,722	11,307
	<hr/>	<hr/>
	265,102	54,995
	<hr/> <hr/>	<hr/> <hr/>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	145,199	22,969
Social security and other taxes	7,780	12,421
Amounts due from group undertakings	15,728	-
Accruals and deferred income	164,002	19,615
	<hr/>	<hr/>
	332,709	55,005
	<hr/> <hr/>	<hr/> <hr/>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Deferred capital grants	-	1,238
	<hr/> <hr/>	<hr/> <hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016**

9. RESERVES

	Income and expenditure account £
At 1 April 2015	488,745
Deficit for the year	(523,695)
Actuarial gain or loss on defined benefit pension scheme	<u>309,000</u>
At 31 March 2016	<u><u>274,050</u></u>

10. 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 three lump sum payments of £31,000 each in the years ending 31 March 2015, 2016 and 2017 and increased employer contributions 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 2016.

The amounts recognised in surplus or deficit are as follows:

	Defined benefit pension plans	
	2016	2015
	£	£
Current service cost	33,000	31,000
Net interest from net defined benefit asset/liability	(13,000)	(27,000)
Past service cost	-	-
	<u>20,000</u>	<u>4,000</u>
Actual return on plan assets	<u><u>143,000</u></u>	<u><u>343,000</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016**

10. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2016	2015
	£	£
Opening defined benefit obligation	2,535,000	2,128,000
Current service cost	33,000	31,000
Contributions by scheme participants	11,000	13,000
Interest cost	84,000	92,000
Actuarial losses/(gains)	(263,000)	300,000
Benefits paid	(30,000)	(29,000)
Curtailments	146,000	-
	<u>2,516,000</u>	<u>2,535,000</u>

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

	Defined benefit pension plans	
	2016	2015
	£	£
Opening fair value of scheme assets	2,384,000	1,988,000
Contributions by employer	62,000	69,000
Contributions by scheme participants	11,000	13,000
Expected return	97,000	119,000
Actuarial gains/(losses)	46,000	224,000
Benefits paid	(30,000)	(29,000)
	<u>2,570,000</u>	<u>2,384,000</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2016	2015
	£	£
Actuarial gains/(losses)	<u>309,000</u>	<u>(76,000)</u>
	<u>309,000</u>	<u>(76,000)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016**

10. EMPLOYEE BENEFIT OBLIGATIONS - continued

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

	Defined benefit pension plans	
	2016	2015
	£	£
Equities	1,105,000	1,049,000
Bonds	1,259,000	1,120,000
Property	206,000	191,000
Cash	-	24,000
	<u>2,570,000</u>	<u>2,384,000</u>

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

	2016	2015
Discount rate	3.50%	3.20%
Future salary increases	3.20%	3.30%
Future pension increases	2.20%	2.40%

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016**

11. 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	£84,000
Cheshire East Council	£37,000
Cheshire West and Chester Council	£24,000

Government Core Funding and Growing Places Fund operating costs totalling £1,123,800 (2015 - £758,816) was also received through Cheshire East Council in its role as the accountable body.

Amounts paid for projects in year:

Warrington Borough Council	£83,100
Cheshire East Council	£5,732
Cheshire West and Chester Council	£2,844

In addition to the above, Cheshire West and Chester Council waived the annual rent charge to the company which would have amounted to £27,000.

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

Warrington Borough Council	Nil	(2015 - £33,298)
Cheshire East Council	£193,700	(2015 - £17,446)
Cheshire West & Chester Council	Nil	(2015 - £(8,304))

During the year the company entered into transactions in the normal course of business with Marketing Cheshire, a not for profit organisation run alongside the LEP. Transactions during the year were as follows:

Balance outstanding at the year end	£(15,728)
Income	£3,916
Expenditure	£87,286

12. 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)**

**RECONCILIATION OF EQUITY
1 APRIL 2014
(DATE OF TRANSITION TO FRS 102)**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		12,488	-	12,488
CURRENT ASSETS				
Debtors		304,165	-	304,165
Prepayments and accrued income		5,852	-	5,852
Cash at bank		252,333	-	252,333
		<u>562,350</u>	-	<u>562,350</u>
CREDITORS				
Amounts falling due within one year		(138,592)	-	(138,592)
NET CURRENT ASSETS				
		<u>423,758</u>	-	<u>423,758</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
		436,246	-	436,246
CREDITORS				
Amounts falling due after more than one year		(1,299)	-	(1,299)
ACCRUALS AND DEFERRED INCOME				
		(4,177)	-	(4,177)
PENSION LIABILITY				
		(140,000)	-	(140,000)
NET ASSETS				
		<u>290,770</u>	-	<u>290,770</u>
RESERVES				
Income and expenditure account		290,770	-	290,770
		<u>290,770</u>	-	<u>290,770</u>

The notes form part of these financial statements

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

**RECONCILIATION OF EQUITY - continued
31 MARCH 2015**

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		11,983	-	11,983
CURRENT ASSETS				
Debtors		54,995	-	54,995
Cash at bank		629,010	-	629,010
		<u>684,005</u>	<u>-</u>	<u>684,005</u>
CREDITORS				
Amounts falling due within one year		(55,005)	-	(55,005)
NET CURRENT ASSETS				
		<u>629,000</u>	<u>-</u>	<u>629,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
		640,983	-	640,983
CREDITORS				
Amounts falling due after more than one year		(1,238)	-	(1,238)
PENSION LIABILITY				
		<u>(151,000)</u>	<u>-</u>	<u>(151,000)</u>
NET ASSETS				
		<u>488,745</u>	<u>-</u>	<u>488,745</u>
RESERVES				
Income and expenditure account		488,745	-	488,745
		<u>488,745</u>	<u>-</u>	<u>488,745</u>

The notes form part of these financial statements

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

**RECONCILIATION OF SURPLUS
FOR THE YEAR ENDED 31 MARCH 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	950,819	-	950,819
Administrative expenses	(703,844)	-	(703,844)
	<hr/>	<hr/>	<hr/>
OPERATING SURPLUS	246,975	-	246,975
Other finance income	27,000	-	27,000
	<hr/>	<hr/>	<hr/>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	273,975	-	273,975
Tax on surplus on ordinary activities	-	-	-
	<hr/>	<hr/>	<hr/>
SURPLUS FOR THE FINANCIAL YEAR	<u>273,975</u>	<u>-</u>	<u>273,975</u>

The notes form part of these financial statements

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

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

	2016		2015	
	£	£	£	£
Turnover				
LA subscriptions	145,001		72,000	
WBC contribution	-		120,000	
LEP Core Funding	500,000		503,002	
Growing Places Fund - professional fees	40,004		255,817	
Growing Places Fund - interest fund 1%	200,000		-	
Growth Hub - recharge of professional fees	50,000		-	
Growth Hub - Blue Orchid fees	300,000		-	
Capacity fund	51,200		-	
DCLG (Team NW)	5,500		-	
Sundry income	3,916		-	
Employment Land Study	(3,257)		-	
	<hr/>	1,292,364	<hr/>	950,819
Expenditure				
Insurance	4,365		4,619	
Directors' salaries	20,500		20,000	
Directors' social security	1,710		1,662	
Wages	395,122		361,142	
Social security	31,561		34,787	
Pensions	193,030		38,456	
Recruitment costs	25,000		-	
Telephone	2,952		4,039	
Post, stationery and consumables	6,976		5,992	
Travel and subsistence	24,900		19,910	
IT support	15,341		14,601	
Subscriptions	12,954		-	
Training and development	4,592		-	
Bank charges	389		329	
Internal meetings	1,649		-	
Legal & professional	4,989		1,313	
Strategy development work	226,548		43,325	
Executive support	-		19,591	
Communications, PR and website	110,842		70,762	
Growing Places Fund professional fees	40,004		55,816	
Operational management	157,956		-	
Programme development	110,674		-	
Growth Hub expenses	50,000		-	
Growth Hub - Blue Orchid	300,000		-	
Enterprise Zone	65,819		-	
Auditors' remuneration	3,289		2,935	
Accountancy	17,897		4,565	
	<hr/>	1,829,059	<hr/>	703,844
Carried forward		(536,695)		246,975

This page does not form part of the statutory financial statements

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

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

	2016		2015	
	£	£	£	£
Brought forward		(536,695)		246,975
Other finance income/costs				
Interest income on pension scheme assets	97,000		119,000	
Interest on pension scheme liabilities	(84,000)		(92,000)	
	<u> </u>	13,000	<u> </u>	27,000
NET (DEFICIT)/SURPLUS		<u><u>(523,695)</u></u>		<u><u>273,975</u></u>