

**CHESHIRE & WARRINGTON LOCAL ENTERPRISE
PARTNERSHIP**

STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

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

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FOR THE YEAR ENDED 31 MARCH 2019**

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**CHESHIRE & WARRINGTON LOCAL ENTERPRISE
PARTNERSHIP**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2019**

DIRECTORS:

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

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

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 2019.

BUSINESS REVIEW

The income and expenditure account is set out on page 7. The surplus for the year of £20,599 has been transferred to reserves (2018: £75,837 deficit).

2018/19 has been a significant year, presenting both challenges and opportunities. Uncertainties around Brexit continue to fuel economic uncertainty and is affecting investment decisions. In this environment the Cheshire and Warrington LEP, along with LEPs across England continue to play an increasingly pivotal role in setting the direction for local economic growth and preparing for the challenges and opportunities that lie ahead. The LEP has reaffirmed its growth ambitions and through the production of our Local Industrial Strategy remains committed to creating the conditions to deliver 120,000 new jobs, 127,000 new homes and a £50bn economy by 2040. In delivering this growth, there is also a firm commitment from all partners to working collaboratively across the sub-region.

With effect from 1 April 2018, the LEP brought the Growth Hub, with its business support services in house for the first time, providing direct advice and support to local businesses. These activities open a new direction and new income streams for the LEP directly delivering services. The LEP expects to expand on these activities in 2019/20, working with partners in areas such as digital skills and "the Pledge", which brings educational establishments into closer working with businesses and delivering the skills they need. During 2018/19 the LEP also made detailed preparations towards closer co-operation and collaboration with Marketing Cheshire, the activity of which is transitioning from Tourist Information and Visitor Services to a wider remit of marketing the attractiveness of Cheshire to people and businesses alike. In 2019, the LEP will become the sole guarantor member of Marketing Cheshire.

The Enterprise Zone status for the Cheshire Science Corridor continues to realise its growth potential and continues to deliver significant new investment to drive further growth. Since its' creation in 2016 it has attracted 50 new business and over 1,000 new jobs and generated over £30m in new direct private sector investment.

As Local Growth Fund schemes reach completion, the LEP has worked hard to make the case for continued investment in infrastructure and the need for early confirmation as to the shape and operation of the proposed UK Shared Prosperity Fund. Over the last year, the LEP has been proud to see the successful delivery of four projects at Reaseheath college, including the new Agritech centre, new sports hall with state of the art facilities, four new accommodation blocks and the learning hub. The M62 junction 8 improvements completed in May 18 on time and budget, helping to alleviate congestion in the area and providing improved access to the very successful Omega Business Park. Crewe Green Roundabout was also completed on time and budget and has won to industry awards for the delivery. Cheshire College South and West completed the remodelling of the Ellesmere Port and Chester campuses and have already received excellent student and teacher feedback. In total £27m of LGF was granted towards these project's total projects costs of £50m.

The overall LGF programme continues to make excellent progress with £90m spent to date and £578m of public and private funding secured. Outputs achieved to date related to the LGF projects include: 2920m of new road, 364k sqm of new commercial space and 8000 jobs.

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.

With the growth and development of our organisational structure, closer working with Marketing Cheshire, the establishment of the in-house Growth Hub and appointment of dedicated skills advisors, the LEP is very well placed to further realise the region's potential in the year ahead.

During the year three of our directors resigned from the LEP, Meredydd David OBE, Gary Steen and Dr Pete Waterman OBE. They have made immense contributions to the LEP and to Cheshire and Warrington more generally and we record our thanks to them.

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

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

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

17 July 2019

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2019**

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

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 2018 to the date of this report.

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

Other changes in directors holding office are as follows:

T E M David - resigned 29 March 2019
P Waterman - resigned 20 February 2019
G J Steen - resigned 8 January 2019

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
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 2019**

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

17 July 2019

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 2019 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its surplus 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, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 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 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 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.

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.

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. This description forms part of our Report of the Auditors.

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

17 July 2019

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
TURNOVER		2,244,921	1,825,889
Administrative expenses		<u>2,227,322</u>	<u>1,902,726</u>
OPERATING SURPLUS/(DEFICIT)	4	17,599	(76,837)
Other finance income	11	<u>3,000</u>	<u>1,000</u>
SURPLUS/(DEFICIT) BEFORE TAXATION		20,599	(75,837)
Tax on surplus/(deficit)	5	<u>-</u>	<u>-</u>
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		<u><u>20,599</u></u>	<u><u>(75,837)</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 2019**

Notes	2019 £	2018 £
SURPLUS/(DEFICIT) FOR THE YEAR	20,599	(75,837)
OTHER COMPREHENSIVE INCOME		
Actuarial gain/(loss) on retirement benefit scheme	(110,000)	45,000
Income tax relating to other comprehensive income	<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>(110,000)</u>	<u>45,000</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(89,401)</u>	<u>(30,837)</u>

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

**BALANCE SHEET
31 MARCH 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Intangible assets	6	162,435	203,044
Tangible assets	7	<u>6,027</u>	<u>973</u>
		168,462	204,017
CURRENT ASSETS			
Debtors	8	394,592	59,471
Cash at bank		<u>246,805</u>	<u>284,524</u>
		641,397	343,995
CREDITORS			
Amounts falling due within one year	9	<u>524,948</u>	<u>280,700</u>
NET CURRENT ASSETS		<u>116,449</u>	<u>63,295</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		284,911	267,312
PENSION (LIABILITY)/ASSET	12	<u>(15,000)</u>	<u>92,000</u>
NET ASSETS		<u>269,911</u>	<u>359,312</u>
RESERVES			
Income and expenditure account	11	<u>269,911</u>	<u>359,312</u>
		<u>269,911</u>	<u>359,312</u>

The financial statements were approved by the Board of Directors on 17 July 2019 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 2019**

	Retained earnings £	Total equity £
Balance at 1 April 2017	390,149	390,149
Changes in equity		
Total comprehensive income	<u>(30,837)</u>	<u>(30,837)</u>
Balance at 31 March 2018	<u>359,312</u>	<u>359,312</u>
Changes in equity		
Total comprehensive income	<u>(89,401)</u>	<u>(89,401)</u>
Balance at 31 March 2019	<u><u>269,911</u></u>	<u><u>269,911</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 2019**

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(31,650)</u>	<u>(196,813)</u>
Net cash from operating activities		<u>(31,650)</u>	<u>(196,813)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(6,069)</u>	<u>(1,130)</u>
Net cash from investing activities		<u>(6,069)</u>	<u>(1,130)</u>
		_____	_____
Decrease in cash and cash equivalents		(37,719)	(197,943)
Cash and cash equivalents at beginning of year	2	284,524	482,467
		_____	_____
Cash and cash equivalents at end of year	2	<u>246,805</u>	<u>284,524</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 2019**

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

	2019	2018
	£	£
Surplus/(deficit) before taxation	20,599	(75,837)
Depreciation charges	41,624	157
Finance income	<u>(3,000)</u>	<u>(1,000)</u>
	59,223	(76,680)
(Increase)/decrease in trade and other debtors	(335,121)	184,661
Increase/(decrease) in trade and other creditors	<u>244,248</u>	<u>(304,794)</u>
Cash generated from operations	<u><u>(31,650)</u></u>	<u><u>(196,813)</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 2019

	31.3.19	1.4.18
	£	£
Cash and cash equivalents	<u><u>246,805</u></u>	<u><u>284,524</u></u>

Year ended 31 March 2018

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

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 project funding receivable, 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 2019**

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.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

3. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages	753,517	595,945
Social security costs	87,305	68,637
Other pension costs	<u>31,036</u>	<u>66,226</u>
	<u>871,858</u>	<u>730,808</u>

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

	2019	2018
Employees	<u>13</u>	<u>9</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 2018/19:

Job Title	Salary, Fees, Allowances & Bonuses £	Employer's Pension Contributions £	Expenses Allowances £	Total £
Chief Executive	145,671	-	-	145,671
Deputy Chief Executive	<u>115,382</u>	<u>11,538</u>	-	<u>126,920</u>
	<u>261,053</u>	<u>11,538</u>	-	<u>272,591</u>

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

	2019	2018
	£	£
Directors' remuneration	<u>25,000</u>	<u>20,810</u>

4. OPERATING SURPLUS/(DEFICIT)

The operating surplus (2018 - operating deficit) is stated after charging:

	2019	2018
	£	£
Depreciation - owned assets	1,015	157
Enterprise zone amortisation	40,609	-
Auditors' remuneration	3,428	3,391
Accountancy	<u>10,580</u>	<u>10,555</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Reconciliation of total tax charge included in profit and loss

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

	2019 £	2018 £
Surplus/(deficit) before tax	<u>20,599</u>	<u>(75,837)</u>
Surplus/(deficit) multiplied by the standard rate of corporation tax in the UK of 20% (2018 - 19%)	4,120	(14,409)
Effects of:		
Income not chargeable as from members	<u>(4,120)</u>	<u>14,409</u>
Total tax charge	<u>-</u>	<u>-</u>

Tax effects relating to effects of other comprehensive income

	Gross £	2019 Tax £	Net £
Actuarial gain/(loss) on retirement benefit scheme	<u>(110,000)</u>	-	<u>(110,000)</u>
	<u>(110,000)</u>	<u>-</u>	<u>(110,000)</u>
	Gross £	2018 Tax £	Net £
Actuarial gain/(loss) on retirement benefit scheme	<u>45,000</u>	-	<u>45,000</u>
	<u>45,000</u>	<u>-</u>	<u>45,000</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

6. INTANGIBLE FIXED ASSETS

	Enterprise zone £
COST	
At 1 April 2018 and 31 March 2019	<u>203,044</u>
AMORTISATION	
Amortisation for year	<u>40,609</u>
At 31 March 2019	<u>40,609</u>
NET BOOK VALUE	
At 31 March 2019	<u><u>162,435</u></u>
At 31 March 2018	<u><u>203,044</u></u>

The amount capitalised in respect of the Enterprise Zone represents costs incurred by the company on marketing and development. 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.

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2018	9,257	90,691	99,948
Additions	-	6,069	6,069
Disposals	<u>(4,135)</u>	<u>(57,300)</u>	<u>(61,435)</u>
At 31 March 2019	<u>5,122</u>	<u>39,460</u>	<u>44,582</u>
DEPRECIATION			
At 1 April 2018	9,257	89,718	98,975
Charge for year	-	1,015	1,015
Eliminated on disposal	<u>(4,135)</u>	<u>(57,300)</u>	<u>(61,435)</u>
At 31 March 2019	<u>5,122</u>	<u>33,433</u>	<u>38,555</u>
NET BOOK VALUE			
At 31 March 2019	<u><u>-</u></u>	<u><u>6,027</u></u>	<u><u>6,027</u></u>
At 31 March 2018	<u><u>-</u></u>	<u><u>973</u></u>	<u><u>973</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	243,753	41,922
Other debtors	377	376
Social security and other taxes	-	5,396
Prepayments and accrued income	<u>150,462</u>	<u>11,777</u>
	<u>394,592</u>	<u>59,471</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	141,583	122,267
Social security and other taxes	64,179	25,590
Other creditors	2,795	-
Accruals and deferred income	<u>316,391</u>	<u>132,843</u>
	<u>524,948</u>	<u>280,700</u>

10. LEASING AGREEMENTS

The following operating lease payments are committed to be paid:

	Other operating leases	
	2019	2018
	£	£
Expiring:		
Within one year	25,621	25,981
Between one and five years	<u>6,310</u>	<u>32,217</u>
	<u>32,217</u>	<u>58,198</u>

11. RESERVES

	Income and expenditure account £
At 1 April 2018	359,312
Surplus for the year	20,599
Actuarial gain or loss on defined benefit pension scheme	<u>(110,000)</u>
At 31 March 2019	<u>269,911</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

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 2019.

The amounts recognised in surplus or deficit are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Current service cost	-	-
Net interest from net defined benefit asset/liability	(3,000)	(1,000)
Past service cost	-	-
	<u>(3,000)</u>	<u>(1,000)</u>
Actual return on plan assets	<u>129,000</u>	<u>71,000</u>

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

	Defined benefit pension plans	
	2019	2018
	£	£
Opening defined benefit obligation	2,519,000	2,555,000
Interest cost	67,000	66,000
Actuarial losses/(gains)	169,000	(41,000)
Benefits paid	<u>(62,000)</u>	<u>(61,000)</u>
	<u>2,693,000</u>	<u>2,519,000</u>

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

	Defined benefit pension plans	
	2019	2018
	£	£
Opening fair value of scheme assets	2,611,000	2,601,000
Expected return	70,000	67,000
Actuarial gains/(losses)	59,000	4,000
Benefits paid	<u>(62,000)</u>	<u>(61,000)</u>
	<u>2,678,000</u>	<u>2,611,000</u>

**CHESHIRE & WARRINGTON LOCAL ENTERPRISE
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

12. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Actuarial gains/(losses)	(110,000)	45,000
	<u>(110,000)</u>	<u>45,000</u>

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

	Defined benefit pension plans	
	2019	2018
	£	£
Equities	1,097,980	1,201,000
Bonds	1,258,660	1,097,000
Property	214,240	209,000
Cash	<u>107,120</u>	<u>104,000</u>
	<u>2,678,000</u>	<u>2,611,000</u>

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

	2019	2018
Discount rate	2.40%	2.70%
Future salary increases	2.80%	2.70%
Future pension increases	2.50%	2.40%

**CHESHIRE & WARRINGTON LOCAL ENTERPRISE
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

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 £1,988,162 (2018 - £1,609,967) was also received through Cheshire East Council in its role as the accountable body.

Amounts paid for projects in year:

Warrington Borough Council	£43,365
Cheshire East Council	£99,891
Cheshire West and Chester Council	£75,128

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

Warrington Borough Council	£(34,361)	(2018 - £(547))
Cheshire East Council	£127,232	(2018 - £(42,767))
Cheshire West & Chester Council	£50,000	(2018 - £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 2019**

	2019		2018	
	£	£	£	£
Turnover				
LA subscriptions	125,000		125,000	
LEP Core Funding	500,000		500,000	
Growing Places Fund - professional fees	216,431		200,000	
Growing Places Fund - interest fund	72,297		48,404	
Growth Hub - Blue Orchid fees	287,000		287,000	
Sundry income	783		115	
Local Growth Fund - interest	202,003		114,777	
EU technical assistance	47,074		45,590	
Local Growth Fund - management fee	108,200		108,200	
BEIS Energy Strategy	-		50,000	
Enterprise Zone - income	439,050		295,000	
Enterprise Zone - grant	40,610		50,000	
Enterprise Zone - interest	6,118		1,803	
DiT Contribution	68,212		-	
Careers Enterprise Company	18,563		-	
Kickstart income	980		-	
ESF income and work placements	11,077		-	
Northern Powerhouse 11	36,546		-	
MHCLG Additional funding	64,977		-	
		2,244,921		1,825,889
Expenditure				
Rent	12,376		14,826	
Insurance	2,765		2,081	
Directors' salaries	25,000		20,810	
Directors' social security	2,287		1,746	
Wages	728,517		575,135	
Social security	85,018		66,891	
Pensions	31,036		66,226	
Recruitment costs	53,473		499	
Telephone	2,543		4,090	
Post, stationery and consumables	5,594		10,392	
Consultancy and third party support	177,384		168,611	
Travel and subsistence	35,292		30,962	
IT support	17,699		14,718	
Subscriptions	18,964		23,710	
Training and development	12,219		4,558	
Kickstart costs	980		-	
Bank charges	166		244	
Internal meetings	993		259	
Office relocation	-		22,971	
ESF costs	11,077		-	
Careers Enterprise Company	16,770		-	
Local industrial strategy	49,977		-	
Legal and professional	15,939		921	
Strategy development work	157,459		91,382	
Communications, PR and website	42,008		83,566	
Programme development	-		91,241	
Growth Hub - Blue Orchid	287,000		287,000	
Enterprise Zone - consultancy	104,906		80,969	
Carried forward	1,897,442	2,244,921	1,663,808	1,825,889

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

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	2019		2018	
	£	£	£	£
Brought forward	1,897,442	2,244,921	1,663,808	1,825,889
Enterprise Zone - staff and administrative costs	90,647		89,864	
Enterprise Zone - travel and subsistence	2,072		3,097	
Enterprise Zone - marketing and PR	89,983		76,854	
Northern Powerhouse 11	36,546		-	
Accounting body charge	55,000		55,000	
Auditors' remuneration	3,428		3,391	
Accountancy	<u>10,580</u>		<u>10,555</u>	
		<u>2,185,698</u>		<u>1,902,569</u>
		59,223		(76,680)
Other finance income/costs				
Interest income on pension scheme assets	70,000		67,000	
Interest on pension scheme liabilities	<u>(67,000)</u>		<u>(66,000)</u>	
		<u>3,000</u>		<u>1,000</u>
		62,223		(75,680)
Depreciation				
Enterprise zone	40,609		-	
Computer equipment	<u>1,015</u>		<u>157</u>	
		<u>41,624</u>		<u>157</u>
NET SURPLUS/(DEFICIT)		<u><u>20,599</u></u>		<u><u>(75,837)</u></u>

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