

CHESHIRE AND WARRINGTON
LOCAL ENTERPRISE PARTNERSHIP
ANNUAL REVIEW 2018-19



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AT THE HEART OF THE LEP'S
ROLE IS THE WORK WE DO WITH
OUR LOCAL AUTHORITY COLLEAGUES
AND OUR OTHER STAKEHOLDERS TO
SET THE DIRECTION OF THE CHESHIRE
AND WARRINGTON ECONOMY

FOREWORD



Our first annual economic summit is a perfect opportunity to review what the LEP has achieved since it was established in 2011, initially, just as a Board and a secretariat of three people. Since then it has overseen the delivery of around £½ billion of infrastructure projects funded using £213 million made available to the LEP from the Government's Local Growth Fund; used our Growing Places Fund to facilitate key projects such as the hugely successful Omega site in Warrington; we've put Cheshire and Warrington's science base firmly on the map by creating the Cheshire Science Corridor Enterprise Zone; and we will shortly open Accelerate, our £30 million Virtual Institute of Technology.

At the heart of the LEP's role is the work we do with our local authority colleagues and our other stakeholders to set the direction of the Cheshire and Warrington economy. Since publishing our first Strategic Economic Plan in 2014, we have developed an ever deeper understanding of our economy,

culminating in our Local Industrial Strategy on which we have consulted widely in Cheshire and Warrington and are now discussing with the Government.

We have used the evidence we have gathered to place Cheshire and Warrington firmly on the economic map, for example by making sure that it is widely recognised that our output per person is the second highest in England outside London, or that we produce 25% of the North West's manufacturing output. We also highlight that our productivity per hour worked is the third highest in England outside London, although our Local Industrial Strategy acknowledges that it has not been growing as fast as the national average, and suggests a range of measures to address this.

The initial focus of the LEP was on the programme of capital projects that the Government funded through the Local Growth Fund, including major schemes such as Chester Bus Station, Congleton Link Road, major

highway schemes in Warrington, and the regeneration and redevelopment of Crewe town centre as it prepares for HS2. But the LEP has increasingly recognised that businesses need other forms of support as well. For this reason we brought our Growth Hub, which provides direct support to individual business, back 'in-house' in 2018/19 and have since added the Pledge and Accelerate to its portfolio. These two schemes offer £30 million over three years to help employers and young people to get the training and skills they need if our economy is to continue to grow.

Alongside direct support to businesses, the Board also concluded that, if people are to be persuaded to invest or locate in Cheshire and Warrington, they need to understand that it is a great place to live and work. Marketing Cheshire has, for many years, played an important role in selling Cheshire and Warrington, but both Boards recognised that this could be achieved even more effectively if they were part of the LEP family and

as a result, starting mid-way through 2018/19, we began to formalise our relationship with Marketing Cheshire, completing a formal merger in summer 2019.

I've been delighted to oversee this evolution of the LEP from its small beginnings, to an organisation which, as it approaches the start of its tenth year, has the capability and capacity to deliver the full range of interventions necessary to deliver our £50 billion ambition.

Cheshire and Warrington, of course, is not an island and I have also been very pleased that we have been able to provide officer support to get the NP11 group of Northern Powerhouse LEPs up and running. I have been able to personally support this agenda as its Vice-Chair and to serve on the Board of Transport for the

North whilst on the national stage I've also been pleased to support the national LEP Network as its Chair, and to serve on the Government's Industrial Strategy Council.

The LEP's role within the Constellation Partnership of two LEPs and seven local authorities has also been important over the past five years. HS2 is a huge opportunity for our area, and it is a tribute to the clarity of vision of our local authority leaders that they have been able to come together with ourselves and our colleagues in the Stoke and Staffordshire LEP to develop a single growth plan for the area.

Looking ahead, as well as delivering against our ambitious targets for growing the economy, the major piece of unfinished business is devolution. The challenges and opportunities that Brexit will create can only be tackled effectively if we are able to respond to what is happening on the ground locally, and it has been disappointing that the Government has not been able to respond positively to a very strong devolution proposal put forward by the three local authorities and the LEP in 2017. Boris Johnson, in his speech to the NP11 conference in Rotherham, committed himself to rolling out devolution across the

North, and I hope that we will see the fruits of this in Cheshire and Warrington very shortly.

After nine years in the role, my term of office is due to come to end in March 2020 and the process of appointing my successor is underway. I am confident that I will be handing over a LEP that is in very good shape. In 2013 we set a target that we would grow the size of the Cheshire and Warrington economy from £23 billion per annum in 2013 to £50 billion pa by 2040. At the end of 2017, the last date for which we can get data, we were on track to achieve this target. With a local industrial strategy based on strong evidence and a team in place that can support individual businesses, help people access the training they need, and sell Cheshire and Warrington to the rest of the world, I am sure that my successor will be taking the LEP and the Cheshire and Warrington economy forward to even more success.

Christine Gaskell, CBE, DL
Chair
Cheshire and Warrington LEP



Christine meets with Prime Minister Teresa May, to discuss the UK LIS



Christine with Greg Clark, MP signing the Local Growth Deal



Christine with Cllr Karen Shore and Martin Bambrick, Graham Construction on the rooftop of the new Chester Bus Exchange

CHIEF EXECUTIVE'S REVIEW

2018/19 WAS A VERY SIGNIFICANT YEAR FOR THE LEP AS WE BEGAN TO IMPLEMENT SOME VERY SIGNIFICANT CHANGES IN OUR APPROACH TO MEETING OUR OBJECTIVE OF MAKING CHESHIRE AND WARRINGTON A SUSTAINABLE AND INCLUSIVE £50 BILLION PA ECONOMY BY 2040.

From its inception through until 2018/19 the LEP focused on its role as a strategic body, looking to partners to deliver the projects and programme required to deliver its ambitious targets for the sub-regional economy. The Board realised during 2017/18 that its approach substantially weakened the links between the LEP and the businesses it was set up to support. The Board therefore agreed that the Growth and Skills Hub, the LEP's advice service for small and medium enterprises, which had previously been contracted out, should be brought back 'in-house'.

GROWTH HUB

The Growth Hub's move was completed on 1 October 2018, and it is a tribute to the entirely new team recruited to run it that this took place with no disruption to the service

provided to businesses. In its first six months inside the LEP it delivered support to 239 businesses and individuals and attracted £88m of inward investment, creating 258 jobs from 5 projects.

A key advantage of making the Growth Hub part of the core LEP team is the flexibility it gives us to respond quickly to economic shocks and other events. We were therefore able to move at pace to meet the Government's request that we put the Growth Hub at the heart of Brexit preparation in the run up to 29 March 2019 and then again in the run up to 31 October. As well as providing regular weekly reports to Central Government on the impact of Brexit on the Cheshire and Warrington economy, the Growth Hub has been able to provide a strong flow of advice to businesses on Brexit preparations,

including offering every company in Cheshire and Warrington a three hour 'diagnostic', identifying the steps they need to take to prepare for the UK's departure from the EU.

As a greater proportion of our exports go to the US and China than the national average, Cheshire and Warrington is less exposed than some parts of the UK to Brexit, but it nevertheless remains crucially important that our businesses are as well prepared as possible and I'm delighted that the LEP's in-house Growth Hub team has been able to play such an important role.

THE PLEDGE AND ACCELERATE

Feedback from employers, and the LEP's own research as part of the Local Industrial Strategy, is that availability of skilled people is the key issue if the Cheshire and Warrington economy is to continue its record of success. As a result, with its partners at Chester University and the Youth Federation, the LEP submitted two bids in 2018/19 to the



European Social Fund for funding for 'The Pledge' and 'Accelerate'. The Pledge brings employers together with schools, aiming to inspire young people about the job opportunities available in Cheshire and Warrington and to encourage them to obtain the skills needed to work within some of our most exciting and enterprising companies. This is then backed up with £30 million of funding through Accelerate, our virtual Institute of Technology which will help cover nearly half the costs of training for young people and others in work, with an initial focus on digital and STEM (Science, Technology, Engineering and Maths) skills.

The Board's objective is that firms and businesses should be one phone call, or one click away from the support they require, including accessing the skilled staff. It therefore

agreed that The Pledge and Accelerate teams should become an integral part of the Growth and Skills Hub. The first of our Pledge team joined the LEP in Spring 2018 and we now have a full complement of eleven people in post. Recruitment of staff to run Accelerate has also started and work with employers is due to start before the end of November.

MARKETING CHESHIRE

The LEP has always enjoyed a close working relationship with Marketing Cheshire, but a growing appreciation of the importance of marketing the sub-region as a great place to live, work and invest if we are to meet our £50 billion target, led us to begin to formalise these relationships during 2018/19, culminating in Summer 2019 with Marketing Cheshire becoming a legal subsidiary of the LEP. As a result of the merger, the Deputy Chief Executive of the LEP has also taken on the role of Chief Executive of Marketing Cheshire.

Marketing Cheshire is already responsible for organising the LEP's programme at the annual MIPIM international property festival. From this base, a sub-committee of the Marketing Cheshire Board, drawing on the work undertaken within the

LEP on the Local Industrial Strategy, is mapping out the target audiences and messages required to bring to Cheshire and Warrington the skilled people and investors that the economy needs if it is to continue its growth. The work of the sub-committee is likely to be complete in Spring 2020 and the LEP Board has already earmarked funding for an ongoing campaign that will get the message out to investors and current and prospective residents about the fabulous opportunities available to them in the sub-region.

INVESTING IN OUR LOCAL ECONOMY

In a year of significant organisational change, we haven't taken our eye off the ball on our core role of setting the strategy and delivering the projects and programmes that enable our economy to grow. We spent a further £19 million during 2018/19 through the Local Growth Fund (LGF) investing in key projects such as the Crewe Green Roundabout and Sydney Road Bridge in Crewe, made a start on site on both the Warrington East highway improvements and the Congleton Link Road, and continued work to develop the remodelling of Ellesmere Port town centre and the A51 improvements at Tarvin. Overall,

to date, we have spent £96 million on projects which have delivered £709 million of investment into our sub-region, created 8000 jobs and 364,000 sq ft of commercial floor space.



We have also seen continued growth and development of the Cheshire Science Corridor Enterprise Zone (EZ). To further accelerate the development of the EZ during 2018/19 we identified a £30 million programme of investments that will generate just under £100 million of additional Business Rate income for the LEP and its local authority partners to reinvest into economic development in Cheshire and Warrington. To fund this, the local authorities have agreed, in principle, to lend the LEP £30 million, with the details of how this will work

likely to be resolved in Autumn 2019. In the meantime, the LEP has made use of the funds available in its Growing Places Fund to make early commitments to support five projects across the Science Corridor that will deliver 567,000 sq ft of new floorspace and 1,900 new jobs.

NP11 AND THE LEP NETWORK

During 2018/19 Cheshire and Warrington continued to play a full role in the national LEP Network and the new NP11 group of the eleven LEPs within the Northern Powerhouse. Christine Gaskell chaired the national Network during 2018/19 and also became Vice-Chair of NP11. Alongside this, Cheshire and Warrington provided officer support for NP11, including hosting David Levene, the full time Strategic Coordinator for the Group, on our staff complement.

The focus of NP11 is on tackling the issues where working together across the North offers better outcomes than could be achieved by individual LEPs working alone. The group began to operate in earnest in Autumn 2018 and has made a strong start, hosting a conference for a thousand delegates in Rotherham at which the Prime Minister made the keynote speech,

and identifying international trade and investment and the development of clean energy as two key areas where pan-Northern co-operation can yield real benefits.

LOOKING AHEAD

The role of LEPs will be ever more important over the next twelve months as Britain enters a post-Brexit world. The work we have done in Cheshire and Warrington over the past year to equip ourselves with a broader range of services with which to support businesses means that we are well placed to help secure the best possible outcome from Brexit for our economy. We also have a clear set of priorities for its longer term development. Starting in the second half of 2018/19 the LEP undertook a huge programme of evidence gathering, policy development and consultation, responding to the Government's invitation to all LEP areas to develop Industrial Strategies for their localities.

Nearly 40 events were held to discuss and debate the conclusions, and we are confident we have a clear understanding of the strengths and areas for development in our economy. The key task for the LEP over the next twelve months, working

alongside all our private and public sector partners will be to put in place the measures necessary to build on our economy's strengths in Clean Energy, Life Sciences and Advanced Manufacturing, while addressing some of the challenges we face in ensuring that Cheshire and Warrington is an attractive location for young skilled people who are essential to the success of these industries, but in recent years have tended to prefer to live in more urban areas which offer a strong night-time economy and good public transport so they can avoid the costs (and the carbon impact) of owning a car.

With a great team of people in the LEP, delivering individualised business support and setting the agenda for Cheshire and Warrington's longer term development, I am confident that the LEP is well placed to play its part in the continued economic success of Cheshire and Warrington.



Philip Cox
Chief Executive
Cheshire and Warrington LEP





LOCAL INDUSTRIAL STRATEGY

Local Industrial Strategies are intended to set out key priorities and interventions for the short – medium term, in our case to 2030. The Cheshire and Warrington LIS will complement the existing Strategic Economic Plan and its supporting strategies.

Since September 2018 extensive work was undertaken to further develop and understand the LEP economy in a finer grain of detail than previously and over 35 events held across the sub-region to test the evidence and emerging ideas with key stakeholders.

A high-level summary of the key headlines from the evidence base was published in March 2019.

Further challenge has been provided through the establishment of an external ‘Expert Panel’ made up of a mix of senior policy makers, industrialists and academics.

Work has been led by a mix of industry leaders, LEP and local

authority policy specialists and have been co-developed using existing networks and groups from across the sub-region.

In addition, the LEP is supporting its three local authority partners to produce Local Area Industrial Strategies to account for the reality that the LEP has some standout strengths, opportunities and challenges, however this means some sectors or places which are significant to local economies can perhaps get lost in the sub-regional narrative.

OTHER STRATEGY WORK

During the course of the year we published our Quality of Place and Housing Strategies and made good progress towards completing our Digital and Science and Innovation Strategies.

The refreshed SEP acknowledged the importance of quality of place when people and businesses are deciding where to live, work and invest.

The Quality of Place Strategy sets out four key areas of activity that we believe will make our quality of place offer better:



This also includes identifying work to better understand the economic benefit of the natural environment.

HOUSING STRATEGY

Housing is a critical part of creating the right place offer. Achieving a balanced, well-functioning housing market will be essential if Cheshire and Warrington is to meet the changing needs of existing residents and those skilled workers and their families looking to move to take advantage of the employment opportunities on offer.

This includes working with the

market to develop homes that are attractive and affordable to younger and older people.

Our Housing Strategy recognises that we need to make sure we are developing the right homes in the right places. Increasingly this means smaller (1 – 2 bed) properties located in our main urban centres near to services and accessible by good public transport.

TRANSPORT / INFRASTRUCTURE

In 2019 we finalised and published the sub-regional transport strategy which sets out the evidence base, needs and priorities for transport to support the delivery of a £50bn Cheshire & Warrington economy by 2040. A number of key schemes identified in the strategy have been delivered or started during 2018/19 as shown in the diagram below.

We've undertaken extensive engagement with Transport for the North – inputting into and shaping the work on the West and Wales

Strategic Development Corridor and subsequently ensuring that TfN's Strategic Transport Plan reflected the priorities of the sub-region.

We've also worked closely with the Department for Transport and the rail industry on HS2 and Crewe Hub to ensure that the region maximises the benefits of HS2. This included coordinating a wider regional response to the Government's Crewe Hub consultation, the key elements of which have been recognised and supported by Government.

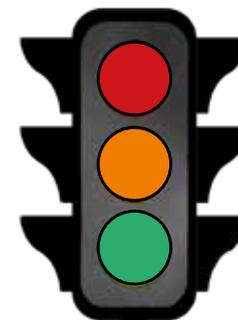
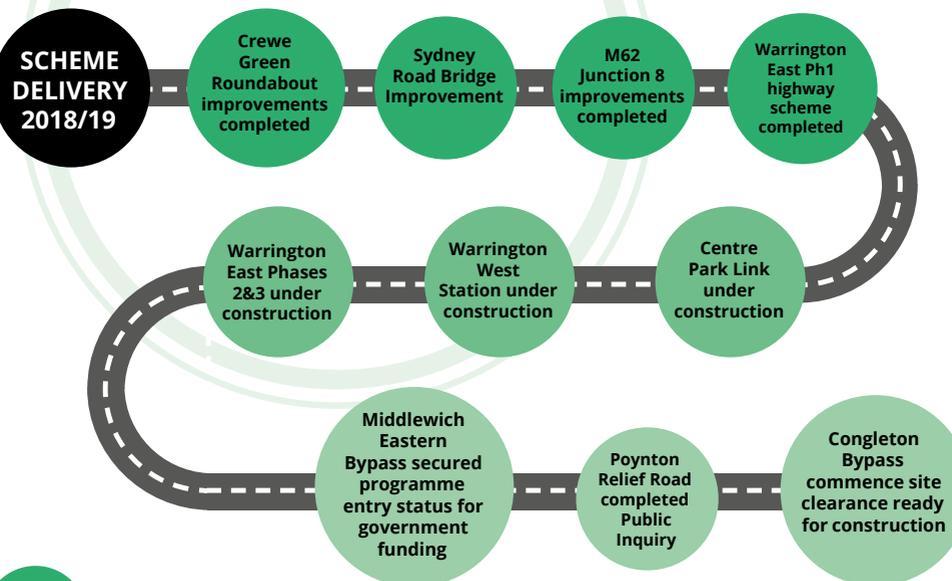


Priorities for the coming year include developing a pipeline of infrastructure schemes to support the emerging priorities of the Local Industrial Strategy (LIS). To support this the LEP has allocated £400,000 per annum over the next three years to support the development of scheme business cases.

In addition, we will continue to work with HS2, Crewe Hub and Northern Powerhouse Rail - to

ensure we significantly improve sub-regional connectivity, maximise the benefits of HS2/NPR and minimise environmental impacts.

We will also review the sub-regional transport strategy and specifically develop a more detailed public transport strategy to identify how the quality and frequency of public transport links to and from key locations around the sub-region can be improved.



CHESHIRE AND WARRINGTON WILL NEED TO ACCOMMODATE INCREASES IN DEMAND FOR TRAVEL RANGING FROM 34% IN MACCLESFIELD TO 83% IN MID-CHESHIRE BY 2040.

TRAVEL TO WORK BY CAR IN CHESHIRE AND WARRINGTON IS HIGHER THAN THE AVERAGE FOR ENGLAND (68% AS OPPOSED TO 57%)

TRAVEL TO WORK BY BUS AND/OR RAIL IS LOWER THAN ENGLAND AVERAGE (5% COMBINED COMPARED TO 12% COMBINED)

LOCAL GROWTH FUND

CREWE GREEN ROUNDABOUT

The £7.5m scheme to upgrade Crewe Green Roundabout to improve traffic flow and open up development sites in the area, completed in October 2018. The scheme is part of a package of £20m of Local Growth Fund grant awarded to projects in Crewe to improve the infrastructure and support the development of the town centre. The scheme has since won two industry awards.

REASEHEATH COLLEGE PROJECTS

2018 saw the completion of the final phase of the new accommodation blocks at the college. The LEP has invested 8.9m towards the £27m cost of the new state of the art Agritech Centre, Sports Science and Performance Academy, Learning Hub and new student accommodation.

The investment has helped to increase students numbers by 90% for sports courses and 22% for agricultural engineering.

WARRINGTON EAST HIGHWAYS SCHEME

Work on the Warrington East Highways started on site in 2018 and is making great progress, with work due to complete by the end of 2019. The project is designed to improve overall traffic flow along

the A574 Birchwood Way, reducing congestion, improving road safety and general accessibility for cyclists and pedestrians. The project will help to retain businesses at Birchwood Park and is expected to complement the investment by both Warrington Borough Council and the Enterprise Zone at Birchwood Park.

ELLESMERE PORT AND CHESTER CAMPUS REMODELLING

This £3.2m project completed in September 18. The project saw new walls erected between classrooms to improve learning opportunities and heavy engineering kit moved from Chester to Ellesmere Port to align with courses run there supporting the local car manufacturing sector.

CONGLETON LINK ROAD

Work on the £79m link road started in January and will finish in 2025. The new 5.5km road scheme will join the A534 Sandbach Road with the A536 Macclesfield Road.

The road will reduce town centre traffic congestion, cut pollution, and improve air quality, and will bring economic and social regeneration to Congleton by supporting new development sites and increasing jobs at Radnor Park Industrial Estate and Congleton Business Park.

OUTPUTS	ACHIEVED TO DATE
New Commercial Floorspace (sqm)	363,971
Renovated Commercial Floorspace (sqm)	3,671
Jobs created	8,101
Private sector Leverage £m	617
Public Sector Leverage £m	92
New homes completed	3,019
Total amount of new and resurfaced road (meters)	4,000

GROWING PLACES FUND

The GPF loan fund continues to be a helpful tool for supporting investments in the sub-region. Out of the initial £12.1m awarded to the LEP, £16.8m has been invested into 10 projects with the returns from the earlier schemes making funding available for future schemes. The fund has helped to create new office and commercial space, support the creation of new jobs and helped attract £50m of match funding.

£19M
invested into
projects during
2018/19

£3M
ahead of
profile

£96M
spent

1/3
of projects in the
programme are
now complete



GROWTH AND SKILLS HUB

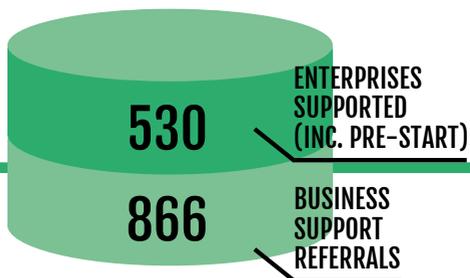
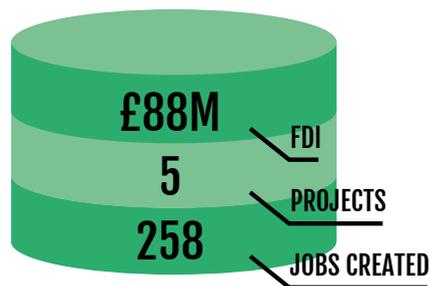
The Cheshire and Warrington Growth and Skills Hub brings together public and private sector partners to promote, co-ordinate and deliver business support based on local needs, working in partnership with the Department for Business, Energy and Industrial Strategy (BEIS). The Growth and Skills Hub helps businesses successfully navigate the business support landscape ensuring they find the information and assistance they need. By providing business with a parallel service that provides skills and business support in one place, The Growth and Skills Hub makes it easier for businesses to engage with the variety of programmes led by the LEP.

From 1st October the Growth Hub service transferred from Blue Orchid to LEP in-house delivery. This was

a strategic decision of the LEP, and a specialist team was recruited to support the growth of the business community and attract new investment.

In 18/19 The Growth and Skills Hub were involved in discussions and meetings with partners locally, such as the local authorities, regionally, such as Northern Powerhouse teams and nationally, such as BEIS.

In the months leading up to and after the March 29th Brexit deadline, the Growth and Skills Hub supported businesses to prepare for Brexit by updating and sharing the latest announcements from government with a dedicated Brexit section on the website, helped businesses to plan for a 'no-deal' scenario and provided government with local business concerns on Brexit through a survey. The Growth and Skills Hub also lead a Brexit Resilience Forum with partners including local authorities, chambers of commerce, FSB and others.



CASE STUDY



Abbey England Ltd are the leading manufacturer and supplier of saddlery goods. The business operates across three sites including Knutsford, Cheshire employing 48 people (January 2018) with a turnover of £5m.

A series of support was put into place including a referral to the Manufacturing Growth Fund to support a project to improve the layout of the facility and the flow of materials, information and communication of real-time data. Abbey England were awarded a grant for Lean Manufacturing and Supply Chain specialist support.

“ We’re delighted with the support we received from Manufacturing Growth Fund. I’m confident that we’ll now achieve our sales targets this year, and we’re in a great position to win new business as a result. We are planning to recruit a new Production Operative, and I anticipate this will see us grow further in the future.

- Richard Brown, Managing Director at Abbey England Ltd



Goals for 2019/20:

DELIVER A PROGRAMME OF EVENTS FOR AWARENESS AND SPECIFIC TO GROWTH CHALLENGES

SUPPORT BUSINESSES PREPARING FOR BREXIT AND PROVIDE GOVERNMENT WITH LOCAL BUSINESS CONCERNS THROUGH THE EXIT PROCESS

INVEST IN RESOURCES TO DEVELOP OUR SUPPORT OFFER TO SCALE UP BUSINESSES

MOBILISE ACCELERATE. A £30M ESF PROJECT TO ADDRESS SKILLS GAP

SKILLS

'ACCELERATE CHESHIRE AND WARRINGTON' (VIRTUAL INSTITUTE OF TECHNOLOGY)

'Accelerate Cheshire and Warrington' will;

**AGGREGATE EMPLOYERS' SKILLS DEMAND SO THAT
TRAINING PROVIDERS HAVE SUFFICIENT CRITICAL MASS OF LEARNERS**

**ENABLE INDIVIDUALS TO ACCESS THE TRAINING THEY NEED TO PROGRESS AND
BUSINESSES THE TRAINING THEY NEED TO RESKILL AND UPSKILL THEIR WORKFORCE.**

PLEDGE PARTNERSHIP

Early in 2018 the Crewe Pledge led by South Cheshire Chamber was identified as an example of good practice where employers were at the heart of inspiring young people and individuals seeking work or seeking to progress in work about new technologies and career opportunities. It was agreed that a Pledge partnership should be rolled out across Cheshire and Warrington – to engage young people in out of school activities as well as in school activities.

£1.1M EUROPEAN SOCIAL FUNDING WAS SECURED TO SUPPORT THE PLEDGE PARTNERSHIP IN FEB 2019.

In addition, £100k was secured from the Careers and Enterprise Company and Higher Horizons focused on working with secondary schools to help them develop career strategies and delivery plans.

An initial focus will be Digital and Science, Technology, Engineering and Maths (STEM) related skills. Digital skills are key to raising productivity across all sectors - from logistics, to automotive to financial services.

In September 2018 a £29m outline bid to use European Social Funds to pump-prime the Virtual Institute of Technology (Accelerate Cheshire and Warrington) was submitted on behalf of local partners by the University of Chester. The outline bid successfully passed the DWP's Gateway review and a more detailed bid is currently being processed.

'Accelerate Cheshire and Warrington' will be embedded in the LEP's Growth Hub so that the skills needs of our businesses will be addressed during wider conversations about how to enable our local businesses to grow and prosper.

DIGITAL SKILLS PARTNERSHIP

To further enhance the delivery of the digital skills that employers need, a Digital Skills Partnership for Cheshire and Warrington was successfully agreed. This was one of only six approved by Ministers to date. The Digital Skills Partnership will turbo boost our digital skills work and ensure that digital is a strong theme for the Pledge partnership and the Virtual Institute of Technology. Funding started in April 2019.



9
pledges
established



90%
of C&W secondary
schools working
with the pledge

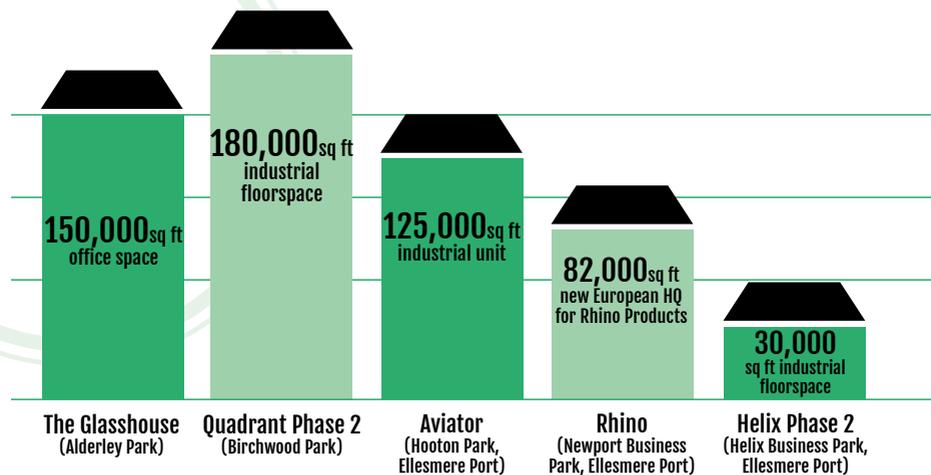
CHESHIRE SCIENCE CORRIDOR ENTERPRISE ZONE

The Cheshire Science Corridor has gone from strength to strength in the three years since its inception:

- DELIVERED 383,187 SQ FT OF NEW COMMERCIAL FLOORSPACE**
- LEVERED IN £41.8M PRIVATE SECTOR INVESTMENT**
- ATTRACTED 55 NEW BUSINESSES**
- CREATED 1,403 NEW JOBS**



This year we have invested £11.2m in the following schemes to create 567,000 sq ft of new commercial floorspace in the EZ:



We've developed a £30m investment pipeline in the EZ that will come forward over the next 3 years, generating 1.5m sq ft of new commercial floorspace and an additional £97m in retained business rates that will be reinvested back into economic projects in the region.

CASE STUDIES

THE GLASSHOUSE, ALDERLEY PARK NEAR MACCLESFIELD

£3.87m investment to create 148,000 sq ft of new office space
Offering an array of spaces from small suites of circa 200sq ft up to large blocks of 15,000 sq ft
Generating appx. 1424 jobs
Accommodating appx. 25-50 new businesses
Generating appx. £120m economic activity



QUADRANT PHASE II, BIRCHWOOD PARK WARRINGTON

£2.70m investment to create 187,000 sq ft of new industrial space
5.62 Ha of brownfield land reclaimed
Accommodating 5 new businesses
Generating appx. 550 new jobs



Birchwood Park

RHINO (NEWPORT BUSINESS PARK), ELLESMERE PORT

£1.39m investment to support the creation of Rhino Products 82,023 sq ft European HQ
1.56 Ha of brownfield land reclaimed
£6 million GVA per annum
80 jobs created



MIPIM / MARKETING ACTIVITY

One of the primary roles of the LEP is to promote Cheshire and Warrington nationally and internationally in order to shift perceptions, grow our reputation in key sectors of industry, attract new businesses to locate and grow here, and to retain and attract skilled people.

As part of this activity, Cheshire and Warrington exhibited at MIPIM for

the third consecutive year. MIPIM is the largest commercial property and investment event in Europe welcoming over 26,000 delegates.

MIPIM is delivered in partnership with the private sector and allows us to raise awareness of our collective strengths and the market opportunities available, to an influential and targeted audience.



More locally, the LEP delivered over 40 business engagement events throughout the year, helping to ensure our regional businesses are aware of, and can get involved, with the work of the LEP. Our website and social media strategy ensure that we reach a wide audience, and that information is accessible to all.

In 2018-19 the LEP also formally merged with Marketing Cheshire, the destination marketing agency for the region. The two organisations, both well regarded, have come together to deploy the extensive level of expertise and synergies that exist across both teams.

Together, our organisations are dedicated to creating a £50bn pa

Cheshire and Warrington economy by 2040. We will do this by positioning Cheshire and Warrington as a leading place to invest, live and work, visit and study and through strategic development of the visitor economy to increase digital capabilities and productivity.



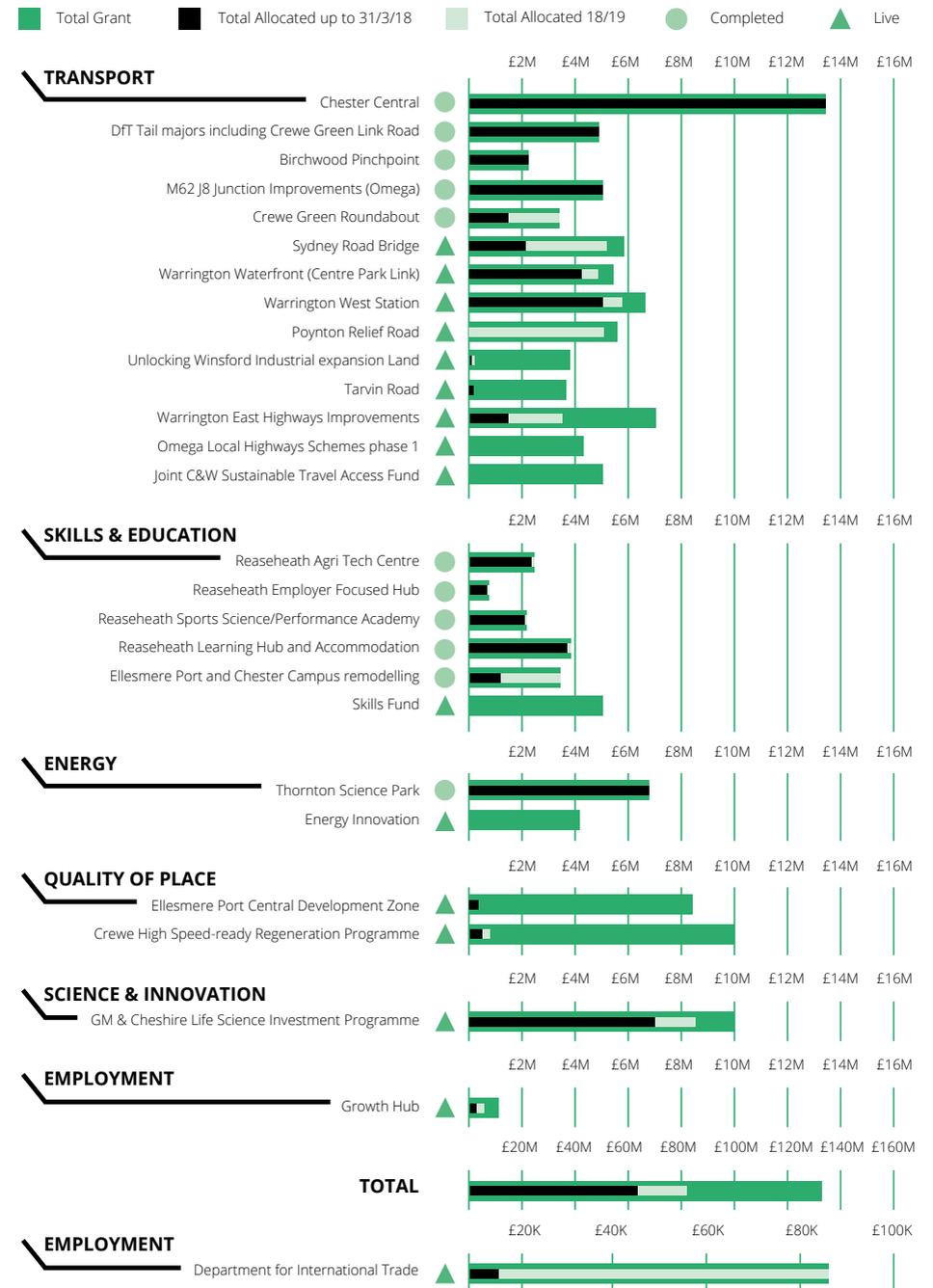
ACCOUNTS FOR YEAR ENDED MARCH 2019

2018/19 has been a significant year for the LEP, building on the developments that have been taking place over the previous two years. The "core" policy and strategy activities are now complemented by a range of delivery functions, especially for business growth and skills development. These activities add funds and programmes to our existing portfolio and enable the LEP to extend its reach to more businesses, educators and people within the sub-region.

The LEP supports the investment of public funds totalling in excess of £130 Million. The chart explains in more detail the range and value of our activities. This is managed by a small team representing excellent value for money.

The LEP financial position remains solid and with income from a range of current and new sources expected in 2019 and beyond, for the foreseeable future.

CHESHIRE & WARRINGTON PROJECT INCOME & EXPENDITURE



**CHESHIRE & WARRINGTON LOCAL ENTERPRISE
PARTNERSHIP**

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

ANALYSIS OF LEP INCOME AND EXPENDITURE 2018/19

The table below shows the funds held by Cheshire East Council on behalf of the LEP, the income received and investments made during the year 2018/19.

£ MILLION	LEP 'CORE'	LOCAL GROWTH FUND	GROWING PLACES FUND	ENTERPRISE ZONE	SKILLS & GROWTH HUB	NP11	TOTAL
Opening Cash held by CEC	N/A	26.3	11.3	0.8	N/A	-	38.4
Grant / Income Received	0.8	16.0	0.1	0.9	0.3	0.2	18.3
Transfers to 'Core'	1.1	(0.3)	(0.3)	(0.5)	-	-	-
Transfers	-	-	(0.5)	0.5	-	-	-
Project Payments	(0.3)	(17.1)	(0.2)	(0.5)	(0.3)	-	(18.4)
Expenditure	(1.6)	-	-	-	-	-	(1.6)
Closing Cash held by CEC	N/A	24.9	10.4	1.2	N/A	0.2	36.7

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

**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.

**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>20,599</u>	<u>(75,837)</u>

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>269,911</u>	<u>269,911</u>

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		<u>(37,719)</u>	<u>(197,943)</u>
Cash and cash equivalents at beginning of year	2	<u>284,524</u>	<u>482,467</u>
Cash and cash equivalents at end of year	2	<u>246,805</u>	<u>284,524</u>

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>(31,650)</u>	<u>(196,813)</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>246,805</u>	<u>284,524</u>
Year ended 31 March 2018		
	31.3.18 £	1.4.17 £
Cash and cash equivalents	<u>284,524</u>	<u>482,467</u>

The notes form part of these financial statements

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.

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.

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

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

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>162,435</u>
At 31 March 2018	<u>203,044</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>6,027</u>	<u>6,027</u>
At 31 March 2018	<u>-</u>	<u>973</u>	<u>973</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>

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

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>

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%

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	
DfT 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	10,580		10,555	
		2,185,698		1,902,569
		59,223		(76,680)
Other finance income/costs				
Interest income on pension scheme assets	70,000		67,000	
Interest on pension scheme liabilities	(67,000)		(66,000)	
		3,000		1,000
		62,223		(75,680)
Depreciation				
Enterprise zone	40,609		-	
Computer equipment	1,015		157	
		41,624		157
NET SURPLUS/(DEFICIT)		20,599		(75,837)

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