

**CHESHIRE & WARRINGTON LOCAL ENTERPRISE
PARTNERSHIP**

STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	6
Income Statement	8
Other Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14
Detailed Income and Expenditure Account	23

**CHESHIRE & WARRINGTON LOCAL ENTERPRISE
PARTNERSHIP**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017**

DIRECTORS:

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

REGISTERED OFFICE:

Richmond House
Gadbrook Business Centre
Rudheath
Northwich
Cheshire
CW9 7TN

REGISTERED NUMBER:

04453576 (England and Wales)

SENIOR STATUTORY AUDITOR: Michael Benson

AUDITORS:

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

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

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

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 2017.

BUSINESS REVIEW

The income and expenditure account is set out on page 8. The surplus for the year of £145,099 has been transferred to reserves (2016: £523,695 deficit).

2016/17 has been a significant year, albeit presenting unique challenges, with both Brexit and the General Election fuelling economic uncertainty. 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 that lie ahead.

The LEP has reaffirmed its growth ambitions and through the renewal of the Strategic Economic Plan is committed to creating the conditions to deliver 120,000 new jobs, 127,000 new homes and a £50bn economy. In delivering this growth, there is a firm commitment from all partners to working collaboratively across the sub-region.

The Enterprise Zone status for the Cheshire Science Corridor was awarded by Government in September 2015 and is already realising its growth potential and generating significant new investment to drive further growth. In its first 12 months, it has created 330 new jobs, attracted 26 new businesses and generated over £8m in new direct private sector investment.

As the first Local Growth Fund schemes reach completion, the LEP has worked hard to secure a further Local Growth Fund award of £43.28m which was announced in March 2016. This was the highest award to any LEP by head of population and will be used to kickstart more business critical local projects such as the redevelopment of Crewe Town Centre and the expansion of employment land on Winsford Industrial Estate, creating up to 2000 new 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.

We have also continued to grow and develop our organisational structure, with the appointment of five new Board Members alongside a new Deputy Chief Executive, Skills Director and Growth Director which has equipped the Board and the Executive to design and lead the strategic interventions for the year ahead.

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

GOING CONCERN

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

ON BEHALF OF THE BOARD:

C A Gaskell - Director

18 July 2017

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017**

The directors present their report with the financial statements of the company for the year ended 31 March 2017.

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 2016 to the date of this report.

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

Other changes in directors holding office are as follows:

H R Hopwood - resigned 31 March 2017
N R Schofield - resigned 31 March 2017
R P Davis - resigned 31 March 2017
M J Ashcroft - resigned 31 March 2017
H L Morrissey - resigned 31 March 2017
J I Christon - resigned 24 November 2016

S K Kinsey , G M Bristow , J A Downes , C J Hindley and G J Steen were appointed as directors after 31 March 2017 but prior to the date of this report.

EMPLOYMENT POLICIES

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

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017**

CORPORATE GOVERNANCE

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

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

Finance and Audit Committee

T J Wheeler
S A Kinsey
G M Bristow

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

Appointments and Remuneration Committee

R P Davis
T E M David
J A Downes

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

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2017**

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

18 July 2017

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

We have audited the financial statements of Cheshire & Warrington Local Enterprise Partnership for the year ended 31 March 2017 on pages eight to twenty two. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 has been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the company and its environment, we have not identified any material misstatements in the Strategic Report or the Report of the Directors.

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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

18 July 2017

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

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	2017 £	2016 £
TURNOVER		1,699,997	1,292,364
Administrative expenses		<u>1,556,898</u>	<u>1,829,059</u>
OPERATING SURPLUS/(DEFICIT)	4	143,099	(536,695)
Other finance income	12	<u>2,000</u>	<u>13,000</u>
SURPLUS/(DEFICIT) BEFORE TAXATION		145,099	(523,695)
Tax on surplus/(deficit)	5	<u>-</u>	<u>-</u>
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		<u><u>145,099</u></u>	<u><u>(523,695)</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 2017**

Notes	2017 £	2016 £
SURPLUS/(DEFICIT) FOR THE YEAR	145,099	(523,695)
OTHER COMPREHENSIVE INCOME		
Actuarial gain/(loss) on retirement benefit scheme	(29,000)	309,000
Income tax relating to other comprehensive income	-	-
	<hr/>	<hr/>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	(29,000)	309,000
	<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	116,099	(214,695)
	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

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

**BALANCE SHEET
31 MARCH 2017**

	Notes	2017 £	2016 £
FIXED ASSETS			
Intangible assets	6	203,044	-
Tangible assets	7	-	6,764
		<u>203,044</u>	<u>6,764</u>
CURRENT ASSETS			
Debtors	8	244,132	265,102
Cash at bank		482,467	280,893
		<u>726,599</u>	<u>545,995</u>
CREDITORS			
Amounts falling due within one year	9	585,494	332,709
NET CURRENT ASSETS			
		<u>141,105</u>	<u>213,286</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		344,149	220,050
PENSION ASSET	12	46,000	54,000
NET ASSETS		<u>390,149</u>	<u>274,050</u>
RESERVES			
Income and expenditure account	11	390,149	274,050
		<u>390,149</u>	<u>274,050</u>

The financial statements were approved by the Board of Directors on 18 July 2017 and were signed on its behalf by:

C A Gaskell - Director

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

	Retained earnings £	Total equity £
Balance at 1 April 2015	488,745	488,745
Changes in equity		
Total comprehensive income	(214,695)	(214,695)
Balance at 31 March 2016	<u>274,050</u>	<u>274,050</u>
Changes in equity		
Total comprehensive income	116,099	116,099
Balance at 31 March 2017	<u><u>390,149</u></u>	<u><u>390,149</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 2017**

	Notes	2017 £	2016 £
Cash flows from operating activities			
Cash generated from operations	1	413,334	(347,505)
Net cash from operating activities		<u>413,334</u>	<u>(347,505)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(203,044)	-
Purchase of tangible fixed assets		(8,716)	(612)
Net cash from investing activities		<u>(211,760)</u>	<u>(612)</u>
Increase/(decrease) in cash and cash equivalents		<u>201,574</u>	<u>(348,117)</u>
Cash and cash equivalents at beginning of year	2	280,893	629,010
Cash and cash equivalents at end of year	2	<u><u>482,467</u></u>	<u><u>280,893</u></u>

The notes form part of these financial statements

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

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017**

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

	2017	2016
	£	£
Surplus/(deficit) before taxation	145,099	(523,695)
Depreciation charges	15,480	5,831
Pension charges less cash contributions	(19,000)	117,000
Finance income	(2,000)	(13,000)
	<u>139,579</u>	<u>(413,864)</u>
Decrease/(increase) in trade and other debtors	20,970	(210,107)
Increase in trade and other creditors	252,785	276,466
	<u>273,745</u>	<u>66,359</u>
Cash generated from operations	<u><u>413,334</u></u>	<u><u>(347,505)</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 2017

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

Year ended 31 March 2016

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Turnover

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

Intangible assets

Intangible assets are stated at cost less amortisation.

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

Tangible fixed assets

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

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

Taxation

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

Deferred tax

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

Leased assets

Rentals paid under operating leases are charged to the profit and loss account as incurred.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

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

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

Grants

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

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

3. EMPLOYEES AND DIRECTORS

	2017	2016
	£	£
Wages	329,972	321,361
Social security costs	39,192	35,458
Other pension costs	41,051	193,030
	<u>410,215</u>	<u>549,849</u>

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

	2017	2016
Employees	<u>6</u>	<u>5</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 2016/17:

Job Title	Salary, Fees, Allowances & Bonuses £	Employer's Pension Contributions £	Expenses Allowances £	Total £
Chief Executive	126,250	15,125	-	141,375
Deputy Chief Executive	86,010	5,600	-	91,610
	<u>212,260</u>	<u>20,725</u>	<u>-</u>	<u>232,985</u>

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

	2017	2016
	£	£
Directors' remuneration	<u>20,604</u>	<u>20,500</u>

4. OPERATING SURPLUS/(DEFICIT)

The operating surplus (2016 - operating deficit) is stated after charging:

	2017	2016
	£	£
Hire of plant and machinery	383,805	69,864
Depreciation - owned assets	15,480	5,831
Auditors' remuneration	3,114	3,289
Accountancy	<u>2,769</u>	<u>17,897</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2017 nor for the year ended 31 March 2016.

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:

	2017 £	2016 £
Surplus/(deficit) before tax	145,099	(523,695)
Surplus/(deficit) multiplied by the standard rate of corporation tax in the UK of 20% (2016 - 20%)	29,020	(104,739)
Effects of:		
Income not chargeable as from members	(29,020)	104,739
Total tax charge	-	-

Tax effects relating to effects of other comprehensive income

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

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

6. INTANGIBLE FIXED ASSETS

	Enterprise zone £
COST	
Additions	203,044
At 31 March 2017	203,044
NET BOOK VALUE	
At 31 March 2017	203,044

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

6. INTANGIBLE FIXED ASSETS - continued

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

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2016	9,257	80,845	90,102
Additions	-	8,716	8,716
	<hr/>	<hr/>	<hr/>
At 31 March 2017	9,257	89,561	98,818
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 April 2016	5,618	77,720	83,338
Charge for year	3,639	11,841	15,480
	<hr/>	<hr/>	<hr/>
At 31 March 2017	9,257	89,561	98,818
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 March 2017	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2016	3,639	3,125	6,764
	<hr/>	<hr/>	<hr/>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade debtors	34,912	193,700
Other debtors	927	1,249
Social security and other taxes	18,312	34,431
Prepayments and accrued income	189,981	35,722
	<hr/>	<hr/>
	244,132	265,102
	<hr/>	<hr/>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	274,457	160,927
Social security and other taxes	19,964	7,780
Other creditors	115	-
Accruals and deferred income	290,958	164,002
	<hr/>	<hr/>
	585,494	332,709
	<hr/>	<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

10. LEASING AGREEMENTS

The following operating lease payments are committed to be paid:

	Other operating leases	
	2017	2016
	£	£
Expiring:		
Within one year	741	741
Between one and five years	1,049	1,430
	<u>1,790</u>	<u>2,171</u>

11. RESERVES

	Income and expenditure account £
At 1 April 2016	274,050
Surplus for the year	145,099
Actuarial gain or loss on defined benefit pension scheme	(29,000)
At 31 March 2017	<u>390,149</u>

12. EMPLOYEE BENEFIT OBLIGATIONS

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

In accordance with the Scheme's actuarial advice the company is making three lump sum payments of £31,000 each in the years ending 31 March 2015, 2016 and 2017 and increased employer contributions to address the deficit.

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

The latest actuarial valuation was carried out at 31 March 2017.

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

12. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in surplus or deficit are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Current service cost	1,000	33,000
Net interest from net defined benefit asset/liability	(2,000)	(13,000)
Past service cost	-	-
	<u>(1,000)</u>	<u>20,000</u>
Actual return on plan assets	<u>71,000</u>	<u>143,000</u>

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

	Defined benefit pension plans	
	2017	2016
	£	£
Opening defined benefit obligation	2,516,000	2,535,000
Current service cost	1,000	33,000
Contributions by scheme participants	-	11,000
Interest cost	87,000	84,000
Actuarial losses/(gains)	11,000	(263,000)
Benefits paid	(60,000)	(30,000)
Curtailements	-	146,000
	<u>2,555,000</u>	<u>2,516,000</u>

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

	Defined benefit pension plans	
	2017	2016
	£	£
Opening fair value of scheme assets	2,570,000	2,384,000
Contributions by employer	20,000	62,000
Contributions by scheme participants	-	11,000
Expected return	89,000	97,000
Actuarial gains/(losses)	(18,000)	46,000
Benefits paid	(60,000)	(30,000)
	<u>2,601,000</u>	<u>2,570,000</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

12. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2017	2016
	£	£
Actuarial gains/(losses)	(29,000)	309,000
	<u>(29,000)</u>	<u>309,000</u>

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

	Defined benefit pension plans	
	2017	2016
	£	£
Equities	1,144,000	1,105,000
Bonds	1,223,000	1,259,000
Property	182,000	206,000
Cash	52,000	-
	<u>2,601,000</u>	<u>2,570,000</u>

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

	2017	2016
Discount rate	2.60%	3.50%
Future salary increases	2.70%	3.20%
Future pension increases	2.40%	2.20%

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

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017**

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	£83,333
Cheshire East Council	£83,333
Cheshire West and Chester Council	£83,333

Government Core Funding and Growing Places Fund operating costs totalling £1,230,886 (2016 - £1,123,800) was also received through Cheshire East Council in its role as the accountable body.

Amounts paid for projects in year:

Warrington Borough Council	£74,894
Cheshire East Council	£52,314
Cheshire West and Chester Council	NIL

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

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

Warrington Borough Council	£(15,498)	(2016 - NIL)
Cheshire East Council	£(41,209)	(2016 - £193,700)
Cheshire West & Chester Council	Nil	(2016 - NIL)

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

Balance outstanding at the year end	£(16,838)
Income	£2,505
Expenditure	£159,100

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 2017**

	2017		2016	
	£	£	£	£
Turnover				
LA subscriptions	249,998		145,001	
LEP Core Funding	499,999		500,000	
Growing Places Fund - professional fees	249,999		40,004	
Growing Places Fund - interest fund 1%	159,582		200,000	
Growth Hub - recharge of professional fees	-		50,000	
Growth Hub - Blue Orchid fees	287,000		300,000	
Capacity fund	-		51,200	
DCLG (Team NW)	-		5,500	
Sundry income	1,900		3,916	
Employment Land Study	-		(3,257)	
Local Growth Fund	204,119		-	
EU technical assistance	47,400		-	
	<u> </u>	1,699,997	<u> </u>	1,292,364
Expenditure				
Rent	14,938		-	
Insurance	2,557		4,365	
Directors' salaries	20,604		20,500	
Directors' social security	1,724		1,710	
Wages	329,972		321,361	
Social security	39,192		35,458	
Pensions	41,051		193,030	
Consultancy and third party support	383,805		69,864	
Recruitment costs	85,533		25,000	
Telephone	2,148		2,952	
Post, stationery and consumables	7,523		6,976	
Travel and subsistence	25,383		24,900	
IT support	27,722		15,341	
Subscriptions	18,023		12,954	
Training and development	500		4,592	
Bank charges	237		389	
Internal meetings	2,250		1,649	
Legal & professional	1,548		4,989	
Strategy development work	103,893		226,548	
Communications, PR and website	24,235		110,842	
Growing Places Fund professional fees	-		40,004	
Operational management	-		157,956	
Programme development	21,233		110,674	
Growth Hub expenses	-		50,000	
Growth Hub - Blue Orchid	286,948		300,000	
Enterprise Zone	-		65,819	
Accounting body charge	109,996		-	
Auditors' remuneration	3,114		3,289	
Accountancy	2,769		17,897	
	<u> </u>	1,556,898	<u> </u>	1,829,059
Carried forward		143,099		(536,695)

This page does not form part of the statutory financial statements

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

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

	2017		2016	
	£	£	£	£
Brought forward		143,099		(536,695)
Other finance income/costs				
Interest income on pension scheme assets	89,000		97,000	
Interest on pension scheme liabilities	(87,000)		(84,000)	
		<u>2,000</u>	<u>13,000</u>	
NET SURPLUS/(DEFICIT)		<u><u>145,099</u></u>		<u><u>(523,695)</u></u>