

REGISTERED NUMBER: 04453576 (England and Wales)

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

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FOR THE YEAR ENDED 31 MARCH 2022**

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**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2022**

DIRECTORS:

C E Hayward
J A Downes
C J Hindley
R L Bowden
T J Brocklebank
C J Browne
Dr P Broxton
N J Dunbar
L C Gittins
N C Newton
Professor E A Simmons
Dr A Choi
R W N Collis
L M Jones
Dr K P MacKay
A McDonald

REGISTERED OFFICE:

Floor 1
Wyvern House
The Drummer
Winsford
Cheshire
CW7 1AH

REGISTERED NUMBER:

04453576 (England and Wales)

AUDITORS:

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

CHESHIRE & WARRINGTON LOCAL ENTERPRISE PARTNERSHIP

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

The directors present their Strategic report, together with the Directors' report, the financial statements and auditors' report, for the Cheshire and Warrington Local Enterprise Group for the year ended 31 March 2022.

REVIEW OF BUSINESS

The statement of comprehensive income is set out on page 10.

The consolidated group turnover for the full year ended 31 March 2022 was £4.7 Million (31 March 2021: £4.7 Million). The principal activity of the company continues to be a partnership of public and private sector organisations for the promotion of economic activity and growth in Cheshire and Warrington. Turnover primarily takes the form of various government grants which support the development of economic strategy and plans for infrastructure and skills development. A subsidiary of the LEP CWTB Ltd, which trades as Marketing Cheshire, engages in activities which promote the visitor economy and the sub-region to businesses and residents.

The range of activities supported by the LEP include economic policy and planning, evidence gathering, convening stakeholders' views and opinions, and delivering a wide range of programmes for infrastructure development and enhancing skills. The LEP also has an interest in several investment funds, managed by third party fund managers, which support infrastructure development and the life sciences sector. Grant levels and the nature of the programmes the company delivers are set each year by central government departments and local authorities and can vary from one year to another in line with policy objectives and budget settlements.

The LEP and Marketing Cheshire are not for profit companies but seek to maintain adequate reserves to manage fluctuations in income and activity levels.

STRATEGIC REPORT

During 2021-22, the LEP has continued to operate a wide range of activities, in support of its' vision for Cheshire and Warrington to be the most sustainable, inclusive, healthy and fastest growing economy. Many of the activities receive their funding under contracts which define specific objectives, outputs and use of funds. While the funding sets constraints, the LEP staff are multi-skilled such that resources can be used flexibly and applied to the various programmes and sources of funds. This flexibility, which works across the group, has helped quickly staff up activities in response to additional grant funding.

Throughout 2021-22, the LEPs activity continued to be focused on responding to the impacts of the Covid pandemic. The Government also carried out reviews of LEPs and Destination Management Organisations during the year, publishing the findings of the LEP review in March 2022. The DMO review awaits a response from government. The LEP review set out the functions government expects of LEPs in the future. In what has been a challenging period for departmental budget settlements central government "core" funding to LEPs will, from 2022-23, be reduced by £125k (25%) while funding for Growth Hubs, which were bolstered by additional programmes, will revert to levels closer to where they were before the pandemic. Set against those reductions, in 2022-23 the LEP will begin delivery of a programme of skills bootcamps (fast track training programmes) exceeding £1M in value. The LEP will be using 2022-23 to assess the implications of the review and the adjusted levels of funding.

2021-22 also represented the final year in which the LEP could expect to recover management fees from the administration of capital funds deployed by central government. Prior to 2021 this took the form of the Local Growth Funds and in 2020-22, the Getting Building Fund acted as a follow on. The LEP continues a monitoring function with respect to both programmes. From 2022-23, the Shared Prosperity Fund will be allocated directly to local authorities and the LEP will provide a supporting role.

The LEP continued to deliver several programmes relating to skills development ensuring that the business voice helps set the design and delivery of further education, higher education and vocational qualifications. Those programmes include the skills advisory panel, the digital skills partnership, and the Pledge. The Pledge, which initiated in 2019, with supporting European Social Funds works in partnership with Youthfed to inspire young people. This programme grew during 2021-22 with additional funding secured from several sources.

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The development of the Cheshire Science Corridor Enterprise Zone and the associated retained business rates remains an important area of growth for the LEP. In 2021-22, additional drawdowns of ca. £3M were made under the EZ loan facility. These drawdowns repaid interim borrowing from our Growing Places Fund, and loan repayments under the facility will commence for the first time in 2022-23. The retained business rates income, which is held in a separate fund by the Cheshire East Council, the LEP's accountable body, amounts to approximately £2.4 million per annum. The receipts are prioritised to make loan repayments and the surplus is put to various uses in the sub-region. In 2021-22, this included supporting the Accelerate skills project and providing funding towards business case development.

The LEP continues to be a member of the Northern Powerhouse 11 LEPs, and acts as the fund holder, employer and contracting authority for the partnership.

Marketing Cheshire turnover in the year increased significantly and for several reasons. With fewer restrictions on the visitor economy, several grants were made available to support a recovery of the visitor economy. Working with the Cheshire West and Chester Borough Council and central government, Marketing Cheshire received Welcome Back and Heritage Action Zone funding of £400k. And with increased activity in the sector, the company experienced a partial recovery in turnover arising from partnership subscriptions and the visitor information centre, both of which were depressed during the prior year due to the Covid pandemic. The company also works closely with, and receives support from, the Cheshire and Warrington LEP, delivering a range of marketing, events and public relations activities.

The combination of reserves from operating and investing activities amount to approximately £10 Million and the directors are assured of the LEP's solvency for the foreseeable future.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the company are described below.

Economic Environment - the risk of reputational damage should the company fail to support and influence businesses, economic investment and growth, and skills.

Financial / Commercial - the risk that the company is largely reliant on national and local government funding. Repayment of the loan facilities for the Enterprise Zone investments are dependent on future business rate income, which may fluctuate.

Compliance - the risk of failing to comply with all relevant legislation and regulations.

Business Continuity - the risk that an adverse occurrence impedes business operations. The main area of risk is the recruitment and retention of key staff.

Health, Safety and Wellbeing - the risks related to the safety of staff, stakeholders and members of the public particularly in relation to the Covid pandemic.

The company's senior management regularly review these risks and their potential impact on the company and take mitigating action as necessary. The risk register is reviewed routinely at two of the board sub-committees, the Performance and Investment Committee and the Finance and Audit Committee.

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

GOING CONCERN

The directors have a reasonable expectation that the company has adequate resources and will continue to receive resources from government for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements,

ON BEHALF OF THE BOARD:

DocuSigned by:

Clare Hayward

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C E Hayward - Director

Date: 13th July 2022

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2022**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2022.

DIVIDENDS

As the company is limited by guarantee it makes no distributions by dividends or any other means.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

C E Hayward
J A Downes
C J Hindley
R L Bowden
T J Brocklebank
C J Browne
Dr P Broxton
N J Dunbar
L C Gittins
N C Newton
Professor E A Simmons

Other changes in directors holding office are as follows:

R J Mee - resigned 30 June 2021
A B Robinson - resigned 21 May 2021
Dr A Choi - appointed 1 April 2021
R W N Collis - appointed 1 April 2021
L M Jones - appointed 1 April 2021
Dr K P MacKay - appointed 1 April 2021
A McDonald - appointed 1 April 2021

S A Kinsey ceased to be a director after 31 March 2022 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group 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 the group and of the surplus or deficit of the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2022**

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 group'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 group'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:

DocuSigned by:

Clare Hayward

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C E Hayward - Director

Date: 13th July 2022

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 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated 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 group's and of the parent company affairs as at 31 March 2022 and of the group's deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group 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 this gives rise to a material misstatement in the financial statements themselves. 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 Group 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 Group 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 group's and the parent 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 group or the parent 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit procedures designed to identify irregularities included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims
- Enquiry of company staff with responsibilities for compliance matters to identify any instances of non-compliance with laws and regulations
- Reviewing any minutes available of meetings of those charged with governance
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or through collusion.

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.

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

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.

DocuSigned by:

Mike Benson

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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

Date: 13th July 2022

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
TURNOVER		4,743,251	4,739,263
Cost of sales		<u>760,331</u>	<u>122,769</u>
GROSS SURPLUS		3,982,920	4,616,494
Administrative expenses		<u>4,036,557</u>	<u>4,071,552</u>
OPERATING (DEFICIT)/SURPLUS	4	(53,637)	544,942
Gain/loss on revaluation of investments		<u>(424,338)</u>	<u>1,151,155</u>
		(477,975)	1,696,097
Interest payable and similar expenses	5	<u>278,265</u>	<u>72,833</u>
(DEFICIT)/SURPLUS BEFORE TAXATION		(756,240)	1,623,264
Tax on (deficit)/surplus	6	<u>-</u>	<u>-</u>
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		<u>(756,240)</u>	<u>1,623,264</u>
(Deficit)/surplus attributable to: Owners of the parent		<u>(756,240)</u>	<u>1,623,264</u>

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

Notes	2022 £	2021 £
(DEFICIT)/SURPLUS FOR THE YEAR	(756,240)	1,623,264
OTHER COMPREHENSIVE INCOME		
Income tax relating to other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(756,240)</u>	<u>1,623,264</u>
Total comprehensive income attributable to: Owners of the parent	<u>(756,240)</u>	<u>1,623,264</u>

The notes form part of these financial statements

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

**CONSOLIDATED BALANCE SHEET
31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Intangible assets	8		8,419,556		5,004,315
Tangible assets	9		47,978		42,397
Investments	10		<u>8,250,437</u>		<u>7,967,283</u>
			16,717,971		13,013,995
CURRENT ASSETS					
Stocks	11	31,535		37,162	
Debtors	12	4,576,489		5,782,467	
Cash at bank and in hand		<u>996,131</u>		<u>1,008,329</u>	
		5,604,155		6,827,958	
CREDITORS					
Amounts falling due within one year	13	<u>1,665,154</u>		<u>1,222,856</u>	
NET CURRENT ASSETS			<u>3,939,001</u>		<u>5,605,102</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			20,656,972		18,619,097
CREDITORS					
Amounts falling due after more than one year	14		<u>10,794,116</u>		<u>8,000,001</u>
NET ASSETS			<u><u>9,862,856</u></u>		<u><u>10,619,096</u></u>
RESERVES					
Fair value reserve	18		(880,330)		(446,871)
Income and expenditure account	18		<u>10,743,186</u>		<u>11,065,967</u>
			<u><u>9,862,856</u></u>		<u><u>10,619,096</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 13th July 2022 and were signed on its behalf by:

DocuSigned by:

Clare Hayward

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C E Hayward - Director

DocuSigned by:

Trevor Brocklebank

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T J Brocklebank - Director

The notes form part of these financial statements

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

**COMPANY BALANCE SHEET
31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Intangible assets	8		8,419,556		5,004,315
Tangible assets	9		19,877		35,394
Investments	10		<u>8,250,438</u>		<u>7,967,284</u>
			16,689,871		13,006,993
CURRENT ASSETS					
Debtors	12	4,226,338		5,602,353	
Cash at bank		<u>837,910</u>		<u>610,076</u>	
		5,064,248		6,212,429	
CREDITORS					
Amounts falling due within one year	13	<u>1,402,006</u>		<u>847,097</u>	
NET CURRENT ASSETS					
			<u>3,662,242</u>		<u>5,365,332</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			20,352,113		18,372,325
CREDITORS					
Amounts falling due after more than one year	14		<u>10,794,116</u>		<u>8,000,001</u>
NET ASSETS					
			<u>9,557,997</u>		<u>10,372,324</u>
RESERVES					
Fair value reserve	18		(880,330)		(446,871)
Income and expenditure account	18		<u>10,438,327</u>		<u>10,819,195</u>
			<u>9,557,997</u>		<u>10,372,324</u>
Company's (loss)/profit for the financial year			<u>(814,327)</u>		<u>1,674,197</u>

The financial statements were approved by the Board of Directors and authorised for issue on 13th July 2022 and were signed on its behalf by:

DocuSigned by:

Clare Hayward

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C E Hayward - Director

DocuSigned by:

Trevor Brocklebank

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T J Brocklebank - Director

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Retained earnings £	Fair value reserve £	Total equity £
Balance at 1 April 2020	10,593,858	(1,598,026)	8,995,832
Changes in equity			
Total comprehensive income	<u>472,109</u>	<u>1,151,155</u>	<u>1,623,264</u>
Balance at 31 March 2021	<u>11,065,967</u>	<u>(446,871)</u>	<u>10,619,096</u>
Changes in equity			
Total comprehensive income	<u>(322,781)</u>	<u>(433,459)</u>	<u>(756,240)</u>
Balance at 31 March 2022	<u><u>10,743,186</u></u>	<u><u>(880,330)</u></u>	<u><u>9,862,856</u></u>

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Retained earnings £	Fair value reserve £	Total equity £
Balance at 1 April 2020	10,296,153	(1,598,026)	8,698,127
Changes in equity			
Total comprehensive income	<u>523,042</u>	<u>1,151,155</u>	<u>1,674,197</u>
Balance at 31 March 2021	<u>10,819,195</u>	<u>(446,871)</u>	<u>10,372,324</u>
Changes in equity			
Total comprehensive income	<u>(380,868)</u>	<u>(433,459)</u>	<u>(814,327)</u>
Balance at 31 March 2022	<u><u>10,438,327</u></u>	<u><u>(880,330)</u></u>	<u><u>9,557,997</u></u>

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	1,070,285	(2,129,822)
Interest paid		<u>(278,265)</u>	<u>(72,833)</u>
Net cash from operating activities		<u>792,020</u>	<u>(2,202,655)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(3,455,849)	(4,923,098)
Purchase of tangible fixed assets		(32,164)	(16,560)
Purchase of fixed asset investments		(749,186)	(1,302,941)
Sale of tangible fixed assets		-	1,901
Sale of fixed asset investments		<u>41,694</u>	<u>-</u>
Net cash from investing activities		<u>(4,195,505)</u>	<u>(6,240,698)</u>
Cash flows from financing activities			
New loans in year		<u>3,391,287</u>	<u>8,000,001</u>
Net cash from financing activities		<u>3,391,287</u>	<u>8,000,001</u>
Decrease in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	<u>1,008,329</u>	<u>1,451,681</u>
Cash and cash equivalents at end of year	2	<u><u>996,131</u></u>	<u><u>1,008,329</u></u>

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

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

	2022 £	2021 £
(Deficit)/surplus before taxation	(756,240)	1,623,264
Depreciation charges	26,583	25,211
Profit on disposal of fixed assets	-	(64)
Loss/(gain) on revaluation of fixed assets	424,338	(1,151,155)
Amortisation charges	40,608	40,609
Finance costs	<u>278,265</u>	<u>72,833</u>
	13,554	610,698
Decrease/(increase) in stocks	5,627	(3,066)
Decrease/(increase) in trade and other debtors	1,205,978	(2,219,981)
Decrease in trade and other creditors	<u>(154,874)</u>	<u>(517,473)</u>
Cash generated from operations	<u><u>1,070,285</u></u>	<u><u>(2,129,822)</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 2022

	31.3.22 £	1.4.21 £
Cash and cash equivalents	<u>996,131</u>	<u>1,008,329</u>

Year ended 31 March 2021

	31.3.21 £	1.4.20 £
Cash and cash equivalents	<u>1,008,329</u>	<u>1,451,681</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	<u>1,008,329</u>	<u>(12,198)</u>	<u>996,131</u>
	<u>1,008,329</u>	<u>(12,198)</u>	<u>996,131</u>
Debt			
Debts falling due within 1 year	-	(597,172)	(597,172)
Debts falling due after 1 year	<u>(8,000,001)</u>	<u>(2,794,115)</u>	<u>(10,794,116)</u>
	<u>(8,000,001)</u>	<u>(3,391,287)</u>	<u>(11,391,288)</u>
Total	<u><u>(6,991,672)</u></u>	<u><u>(3,403,485)</u></u>	<u><u>(10,395,157)</u></u>

The notes form part of these financial statements

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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 General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

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 as modified by the revaluation of certain assets.

Basis of consolidation

The Group financial statements consolidate the results of the Company and its subsidiary undertakings. The results of subsidiaries acquired are consolidated for the periods from which control passes to the Group. Acquisitions are accounted for under the acquisition method.

Significant judgements and estimates

The group continually reviews its approach to estimations and judgements within the financial statements with a view to mitigate material misstatements. Historical experience along with other factors are used to create prudent accounting policies. Combining these policies with informed forecasts of the group's future, enables fair and consistent assumptions and estimates to be concluded.

Significant provisions are monitored by management and best estimates are maintained in accordance with any legal or contractual requirements.

Where material fair value estimates have been made in relation to intangible assets, the group has appointed external advisors to sanction the appropriateness of the figures included within the financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets represents costs incurred by the company on development of the Enterprise Zone and funding provided to companies within the Enterprise Zone. The expenditure will generate increased business rates which will accrue to CWLEP.

The Enterprise Zone asset is being amortised to match the income generated by this investment.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 33% on cost
Fixtures and fittings	- 33% on cost and 20% on cost
Computer equipment	- 33% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

Taxation

The company and its subsidiaries are grant aided local agency organisations and their 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 and its subsidiaries are 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.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to surplus or deficit on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

2. ACCOUNTING POLICIES - continued

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, allowances for impairment.

Cash and cash equivalents

Cash in the statement of financial position comprises cash at banks and on hand less bank overdrafts.

Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance revenue in the income statement.

Financial liabilities

A financial liability is recorded at transaction price and is derecognised when the obligation under the liability is discharged or cancelled or expires.

Trade debtors

Trade debtors are recognised at cost less provision for doubtful debts. The recoverability of trade debtors is reviewed on an ongoing basis. A provision for doubtful debtors is established when collection of the full nominal amount is no longer probable. Bad debts are written off as incurred.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period, and are discounted to present value where the effect is material.

Employee benefits

(a) Wages and salaries and annual leave

Liabilities for wages and salaries and annual leave are recognised and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. They are expected to be settled within one year.

(b) Pensions

The Group operates a defined contribution pension scheme. Contributions to this scheme are recognised in profit or loss in the period in which they become payable.

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

3. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages	2,038,773	1,900,113
Social security costs	219,509	201,761
Other pension costs	<u>69,507</u>	<u>70,383</u>
	<u><u>2,327,790</u></u>	<u><u>2,172,257</u></u>

Of the above salary expense a total of £1,039,623 (2021: £812,922) was recharged for work on the delivery of projects.

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

	2022	2021
Senior leadership	5	5
Policy and strategy	7	7
Operations	35	35
Corporate services	<u>5</u>	<u>5</u>
	<u><u>52</u></u>	<u><u>52</u></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 2021/22:

Job Title	Salary, Fees, Allowances & Bonuses	Employer's Pension Contributions	Expenses Allowances	Total
	£	£	£	£
Chief Executive	152,925	-	-	152,925
Deputy Chief Executive	128,650	5,146	-	133,796
Finance Director	94,481	3,779	-	98,260
Chair	26,000	-	-	26,000
Deputy Chair	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
	<u><u>412,056</u></u>	<u><u>8,925</u></u>	<u><u>-</u></u>	<u><u>420,981</u></u>

The directors' remuneration shown below represents the combined amount paid to the chair and deputy chair of the LEP.

	2022	2021
	£	£
Directors' remuneration	<u><u>36,000</u></u>	<u><u>36,000</u></u>

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

4. OPERATING (DEFICIT)/SURPLUS

The operating deficit (2021 - operating surplus) is stated after charging/(crediting):

	2022	2021
	£	£
Hire of plant and machinery	-	1,726
Depreciation - owned assets	26,583	25,211
Profit on disposal of fixed assets	-	(64)
Enterprise Zone amortisation	40,608	40,609
Auditors' remuneration - audit services	9,100	8,650
Auditors' remuneration - accounting services	<u>2,520</u>	<u>2,400</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Loan interest	<u>278,265</u>	<u>72,833</u>

6. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Reconciliation of total tax charge included in profit and loss

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

	2022	2021
	£	£
(Deficit)/surplus before tax	<u>(756,240)</u>	<u>1,623,264</u>
(Deficit)/surplus multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(143,686)	308,420
Effects of:		
Income not charged	<u>143,686</u>	<u>(308,420)</u>
Total tax charge	<u>-</u>	<u>-</u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 31 March 2022.

7. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

8. INTANGIBLE FIXED ASSETS

Group

	Enterprise Zone £
COST	
At 1 April 2021	5,126,142
Additions	<u>3,455,849</u>
At 31 March 2022	<u>8,581,991</u>
AMORTISATION	
At 1 April 2021	121,827
Amortisation for year	<u>40,608</u>
At 31 March 2022	<u>162,435</u>
NET BOOK VALUE	
At 31 March 2022	<u><u>8,419,556</u></u>
At 31 March 2021	<u><u>5,004,315</u></u>

Company

	Enterprise Zone £
COST	
At 1 April 2021	5,126,142
Additions	<u>3,455,849</u>
At 31 March 2022	<u>8,581,991</u>
AMORTISATION	
At 1 April 2021	121,827
Amortisation for year	<u>40,608</u>
At 31 March 2022	<u>162,435</u>
NET BOOK VALUE	
At 31 March 2022	<u><u>8,419,556</u></u>
At 31 March 2021	<u><u>5,004,315</u></u>

The amount capitalised in respect of the Enterprise Zone represents costs incurred by the company on investment, marketing and development and funding provided to companies within the Enterprise Zone. 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.

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

9. TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2021	-	10,824	107,959	118,783
Additions	<u>24,987</u>	<u>-</u>	<u>7,177</u>	<u>32,164</u>
At 31 March 2022	<u>24,987</u>	<u>10,824</u>	<u>115,136</u>	<u>150,947</u>
DEPRECIATION				
At 1 April 2021	-	7,181	69,205	76,386
Charge for year	<u>2,749</u>	<u>1,901</u>	<u>21,933</u>	<u>26,583</u>
At 31 March 2022	<u>2,749</u>	<u>9,082</u>	<u>91,138</u>	<u>102,969</u>
NET BOOK VALUE				
At 31 March 2022	<u>22,238</u>	<u>1,742</u>	<u>23,998</u>	<u>47,978</u>
At 31 March 2021	<u>-</u>	<u>3,643</u>	<u>38,754</u>	<u>42,397</u>

Company

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2021	10,824	86,808	97,632
Additions	<u>-</u>	<u>4,431</u>	<u>4,431</u>
At 31 March 2022	<u>10,824</u>	<u>91,239</u>	<u>102,063</u>
DEPRECIATION			
At 1 April 2021	7,181	55,057	62,238
Charge for year	<u>1,901</u>	<u>18,047</u>	<u>19,948</u>
At 31 March 2022	<u>9,082</u>	<u>73,104</u>	<u>82,186</u>
NET BOOK VALUE			
At 31 March 2022	<u>1,742</u>	<u>18,135</u>	<u>19,877</u>
At 31 March 2021	<u>3,643</u>	<u>31,751</u>	<u>35,394</u>

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

10. FIXED ASSET INVESTMENTS

Group

	GM & Cheshire LSF Investment £
COST OR VALUATION	
At 1 April 2021	7,967,283
Additions	749,186
Disposals	(32,573)
Revaluations	<u>(433,459)</u>
At 31 March 2022	<u>8,250,437</u>
NET BOOK VALUE	
At 31 March 2022	<u>8,250,437</u>
At 31 March 2021	<u>7,967,283</u>

The above investment represents the group's share of the investment held by the Greater Manchester & Cheshire Life Science Fund.

Company

	Shares in group undertakings £	GM & Cheshire LSF Investment £	Totals £
COST OR VALUATION			
At 1 April 2021	1	7,967,283	7,967,284
Additions	-	749,186	749,186
Disposals	-	(32,573)	(32,573)
Revaluations	<u>-</u>	<u>(433,459)</u>	<u>(433,459)</u>
At 31 March 2022	<u>1</u>	<u>8,250,437</u>	<u>8,250,438</u>
NET BOOK VALUE			
At 31 March 2022	<u>1</u>	<u>8,250,437</u>	<u>8,250,438</u>
At 31 March 2021	<u>1</u>	<u>7,967,283</u>	<u>7,967,284</u>

The shares in group undertakings represent the company's 100% control of CWTB, which is registered in England and Wales and is a Destination Management Organisation for Tourist Information and Visitor services.

The above investment represents that company's share of the investment held by the Greater Manchester & Cheshire Life Sciences Fund.

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

11. STOCKS

	Group	
	2022	2021
	£	£
Stocks	<u>31,535</u>	<u>37,162</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	496,925	602,921	414,493	474,475
Other debtors	3,500,058	4,670,854	3,500,058	4,670,854
Amounts due from related undertaking	-	862	-	862
Amounts due from group undertakings	-	-	105,704	11,991
Prepayments and accrued income	<u>579,506</u>	<u>507,830</u>	<u>206,083</u>	<u>444,171</u>
	<u>4,576,489</u>	<u>5,782,467</u>	<u>4,226,338</u>	<u>5,602,353</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Other loans (see note 15)	597,172	-	597,172	-
Trade creditors	209,149	245,698	134,397	214,383
Social security and other taxes	153,310	206,273	136,595	113,992
Other creditors	64,862	38,079	-	-
Amounts due to related undertakings	6,774	-	-	-
Accruals and deferred income	<u>633,887</u>	<u>732,806</u>	<u>533,842</u>	<u>518,722</u>
	<u>1,665,154</u>	<u>1,222,856</u>	<u>1,402,006</u>	<u>847,097</u>

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

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Other loans (see note 15)	<u>10,794,116</u>	<u>8,000,001</u>	<u>10,794,116</u>	<u>8,000,001</u>

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

15. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Amounts falling due within one year or on demand:				
Other loans	<u>597,172</u>	<u>-</u>	<u>597,172</u>	<u>-</u>
Amounts falling due between one and two years:				
Other loans - 1-2 years	<u>817,483</u>	<u>-</u>	<u>817,483</u>	<u>-</u>
Amounts falling due between two and five years:				
Other loans - 2-5 years	<u>2,623,174</u>	<u>2,185,771</u>	<u>2,623,174</u>	<u>2,185,771</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Other loans more 5yrs instal	<u>7,353,459</u>	<u>5,814,230</u>	<u>7,353,459</u>	<u>5,814,230</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2022 £	2021 £
Within one year	-	28,600
Between one and five years	<u>-</u>	<u>21,450</u>
	<u>-</u>	<u>50,050</u>

Company

	Non-cancellable operating leases	
	2022 £	2021 £
Within one year	-	28,600
Between one and five years	<u>-</u>	<u>21,450</u>
	<u>-</u>	<u>50,050</u>

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2022	2021
	£	£
Other loans	<u>11,391,288</u>	<u>8,000,001</u>

At 31 March 2022, the facilities with Cheshire East Council, Cheshire West and Chester Council and Warrington Borough Council total £11,391,288 (2021: £8,000,001). Of the five projects, the first two facilities are with Cheshire East Council and the last three are with Cheshire West and Chester Council.

The loans are without recourse above the business rates received by the LEP.

There are five parts to this loan, the first drawdown was the Glasshouse project for £3,986,983, the termination date is 31 October 2032. The interest rate on the loan is 3.13%. The balance at 31 March 2022, including accrued interest, is £4,148,525.

The second drawdown was the Blocks 22-24 project for £4,013,018, the termination date is 31 October 2036. The interest rate on the loan is 3.26%. The balance at 31 March 2022, including accrued interest, is £4,182,333.

The third drawdown was the Helix Phase 2 project for £700,039, the termination date is 31 October 2038. The interest rate on the loan is 4.05%. The balance at 31 March 2022, including accrued interest, is £704,700.

The fourth drawdown was the Aviator Phase 1 project for £1,495,428, the termination date is 31 October 2033. The interest rate on the loan is 4.05%. The balance at 31 March 2022, including accrued interest, is £1,505,384.

The fifth drawdown was the Newport Rhino project for £844,722, the termination date is 31 October 2031. The interest rate on the loan is 4.05%. The balance at 31 March 2022, including accrued interest, is £850,346.

18. RESERVES

Group

	Income and expenditure account £	Fair value reserve £	Totals £
At 1 April 2021	11,065,967	(446,871)	10,619,096
Deficit for the year	(756,240)		(756,240)
Fair value transfer	<u>433,459</u>	<u>(433,459)</u>	<u>-</u>
At 31 March 2022	<u>10,743,186</u>	<u>(880,330)</u>	<u>9,862,856</u>

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

18. RESERVES - continued

Company

	Income and expenditure account £	Fair value reserve £	Totals £
At 1 April 2021	10,819,195	(446,871)	10,372,324
Deficit for the year	(814,327)		(814,327)
Fair value transfer	<u>433,459</u>	<u>(433,459)</u>	<u>-</u>
At 31 March 2022	<u>10,438,327</u>	<u>(880,330)</u>	<u>9,557,997</u>

19. 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	£73,460
Cheshire East Borough Council	£3,752,119
Cheshire West and Chester Borough Council	£571,535

Amounts paid for projects in year:

Warrington Borough Council	£15,346
Cheshire East Borough Council	£593,684
Cheshire West and Chester Borough Council	£23,400

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

Warrington Borough Council	£52,880	(2021 - £nil)
Cheshire East Borough Council	£3,698,027	(2021 - £3,530,693)
Cheshire West & Chester Borough Council	£49,689	(2021 - £77,690)

In addition, Cheshire East Borough Council provided the company with a loan of £11,391,288 which remains outstanding at the year end.

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

20. POST BALANCE SHEET EVENTS

Receipt of Grant

During the financial years 2020-21 and 2021-22, the LEP administered a capital grants programme, the Getting Building Fund, on behalf of BEIS. Grants were awarded to specific projects in the region with a requirement that the funds were utilised by 31 March 2022. One of the projects awarded funding closed early in January 2022 making available approximately £4.4M that, with BEIS agreement, was re-purposed towards an alternative scheme which is being funded by the LEP over the period 2021-2022. Consequently, the LEP will receive grant funding after the year end which will substitute the payments already made and meet the remaining commitments to the project.

Life Sciences Fund 2

On 26th May 2022, in partnership with the Greater Manchester Combined Authority and Bruntwood SciTech, the LEP entered a binding commitment to invest £5M into a £20M GMC Life Sciences Fund by Praetura (Life Sciences Fund 2). The commitment is expected to be funded over several years by distributions arising from the LEP investment in the GM&C Life Science Fund (Life Sciences Fund 1). The first two distributions totalling £258k (£42k in FY 2021-22) have already been received and earmarked for re-investment. Further distributions are expected over the next few years.

21. LIMITED LIABILITY

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

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**COMPANY DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	2022		2021	
	£	£	£	£
Turnover				
Local Authority Grants	261,003		663,670	
Central Government or Agency Grants (Core)	503,599		401,977	
Central Government or Agency Grants (Programme)	946,138		1,109,710	
Other funding	180,103		316,518	
Enterprise Zone Retained Business Rates	1,107,991		1,182,915	
Northern Powerhouse 11	416,220		514,030	
Management fee recovered	<u>257,911</u>		<u>236,846</u>	
		3,672,965		4,425,666
Expenditure				
Office costs	41,727		46,031	
Directors' salaries	36,000		36,000	
Directors' social security	2,527		2,746	
Wages	673,325		650,260	
Social security	90,131		88,842	
Pensions	21,796		26,555	
Recruitment costs	1,666		1,367	
Telephone	5,011		5,094	
Consultancy and third party support	97,740		149,947	
Travel and subsistence	2,025		502	
IT support	58,535		75,574	
Subscriptions	35,000		35,286	
Training and development	15,219		2,035	
Bank charges	284		254	
Internal meetings	-		15,000	
Programme costs	1,786,730		1,686,849	
Local industrial strategy	194,816		190,066	
Legal and professional	25,069		19,022	
Communications, PR and website	165,113		201,246	
Northern Powerhouse 11	415,392		513,667	
Auditors' remuneration	9,491		6,100	
Other expenditure	<u>46,535</u>		<u>16,460</u>	
		<u>3,724,132</u>		<u>3,768,903</u>
		(51,167)		656,763
Finance costs				
Loan interest		<u>278,265</u>		<u>72,833</u>
		(329,432)		583,930
Depreciation				
Enterprise Zone	40,609		40,609	
Fixtures and fittings	1,901		1,901	
Computer equipment	<u>18,047</u>		<u>18,442</u>	
		<u>60,557</u>		<u>60,952</u>
Carried forward		(389,989)		522,978

This page does not form part of the statutory financial statements

**CHESHIRE & WARRINGTON LOCAL
ENTERPRISE PARTNERSHIP**

**COMPANY DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	2022		2021	
	£	£	£	£
Brought forward		(389,989)		522,978
Profit on disposal of fixed assets				
Computer equipment		<u>-</u>		<u>64</u>
		(389,989)		523,042
Gain/loss on revaluation of assets				
Gain/loss on revaluation of investments		<u>(424,338)</u>		<u>1,151,155</u>
NET (DEFICIT)/SURPLUS		<u><u>(814,327)</u></u>		<u><u>1,674,197</u></u>