

COMPANY REGISTRATION NUMBER: 07685830

New Anglia Local Enterprise Partnership Limited
Company Limited by Guarantee
Financial statements
31 March 2018

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Financial statements

Year ended 31 March 2018

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New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Officers and professional advisers

The board of directors

Mr D Field - Chair
Ms J Wheeler
Mr S Oliver
Prof T Whitley
Mrs L Rix
Mr J Griffiths
Dr N Savvas
Mr D Ellesmere
Mr A Proctor
Prof D Richardson
Mr D Keen
Mrs S Ruddock
Mr J Reynolds
Mr M Hicks
Mr W Nunn
Mr A Waters

Registered office

Mills & Reeve LLP
1 St James Court
Norwich
Norfolk
NR3 1RU

Auditor

Lovewell Blake LLP
Chartered Accountants & statutory auditor
Excelsior House
9 Quay View Business Park
Barnards Way
Lowestoft
NR32 2HD

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Strategic report

Year ended 31 March 2018

New Anglia Local Enterprise Partnership continues drive economic growth across Norfolk and Suffolk, investing in key projects and supporting the region's businesses.

New Anglia LEP, with local authority and business partners, launched the new Economic Strategy for Norfolk and Suffolk in autumn 2017, highlighting the key themes for local growth - Our Offer to the World, Driving Inclusion and Skills and Driving Business Growth and Productivity.

The LEP's Local Growth Fund with Government - totalling £290million since 2014 - is being used to support projects and programmes which will boost skills, drive innovation, provide targeted business support and improve transport and infrastructure. Projects funded through the Growth Deal are already benefiting the area, including the new Broadland Northway road to the north of Norwich, the Bury St Edmunds relief road and the flagship International Aviation Academy Norwich, which is delivering industry-leading training in aviation careers.

The LEP's business support programmes continue to offer free and impartial advice, helping firms to grow, develop and innovate. The level of business support awarded by the LEP through its business grants has passed £20million, created over 2,200 jobs and attracted more than £96million in private investment.

The LEP's Enterprise Zone sites deliver space for businesses to grow. The ten-site Space to Innovate Zone celebrated its second anniversary in spring 2018 and is already delivering on its targets. To date, the zone is home to 56 companies, employing 247 people.

Investments through the Growing Places Fund, which provides loans to kick-start development projects, are helping to transform the area, with projects like the Winerack on Ipswich Waterfront and the Norwich Castle Keep showcasing the range of investments being made, from unlocking development sites to supporting historically-important cultural tourism attractions.

LEP projects are each monitored against a series of KPIs, with their progress rag rated.

Throughout the year, the LEP continues to look to the future. Work with local authorities and businesses on the delivery and implementation plans for the Economic Strategy continues and collaborative working has also enhanced the recent developed of the East Integrated Transport Strategy and a Local Energy East Strategy.

The LEP's reserves increased in this financial year. This is largely due to Growth Deal funding received from Government and is committed to specific projects. This funding will be advanced to those projects during the next financial year.

The majority of the LEP's funding is secured from Government, both core funding and project funding. A principal risk is the Government withholding this funding, which has materialised in the case of two other LEPs.

New Anglia LEP mitigates this risk by ensuring all funding is utilised in compliance with Government rules and its governance and processes are "best in class".

In a deep dive review carried out by the Government in February 2018, New Anglia LEP's governance was rated as outstanding in all six areas inspected.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Strategic report *(continued)*

Year ended 31 March 2018

This report was approved by the board of directors on 6 September 2018 and signed on behalf of the board by:

Mr D Field - Chair
Director

Registered office:
Mills & Reeve LLP
1 St James Court
Norwich
Norfolk
NR3 1RU

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Directors' report

Year ended 31 March 2018

The directors present their report and the financial statements of the group for the year ended 31 March 2018.

Directors

The directors who served the company during the year were as follows:

Mr D Field - Chair
Ms J Wheeler
Mr C Noble
Mr C Jordan
Mr S Oliver
Prof T Whitley
Mrs L Rix
Mr J Griffiths
Mr M Goodall
Ms D Tanner OBE
Dr N Savvas
Mr D Ellesmere
Mr A Proctor
Prof D Richardson
Mr D Keen
Mrs S Ruddock
Mr J Reynolds
Mr M Pendlington
Mr A Waters

Mr D Keen was appointed as a director on 19 July 2017.
Mrs S Ruddock was appointed as a director on 19 July 2017.
Mr J Reynolds was appointed as a director on 17 January 2018.
Mr M Hicks was appointed as a director on 24 May 2018.
Mr W Nunn was appointed as a director on 4 June 2018.

Mr M Goodall retired as a director on 21 June 2017.
Ms D Tanner OBE retired as a director on 21 June 2017.
Mr M Pendlington retired as a director on 20 September 2017.
Mr C Noble retired as a director on 24 May 2018.

It is with regret that the directors report that Mr C Jordan passed away on 9 June 2018.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 22 to the financial statements.

Reserves policy

The majority of the LEP's reserves are designated for specific projects. In addition the LEP aims to achieve a level of general reserves sufficient to enable it to cover core operational expenditure and certain programme costs which are reimbursed at a later date when those programmes have sufficient funds.

Disclosure of information in the strategic report

The company has prepared a strategic report in accordance with section 414C of the Companies Act 2006.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Directors' report *(continued)*

Year ended 31 March 2018

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report 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 group and the company and the profit or loss 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 judgments 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 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

This report was approved by the board of directors on 6 September 2018 and signed on behalf of the board by:

Mr D Field - Chair
Director

Registered office:
Mills & Reeve LLP
1 St James Court
Norwich
Norfolk
NR3 1RU

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Independent auditor's report to the members of New Anglia Local Enterprise Partnership Limited

Year ended 31 March 2018

Opinion

We have audited the financial statements of New Anglia Local Enterprise Partnership Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the consolidated statement of comprehensive income, company statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of cash flows and the related notes, 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 FRS 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's affairs as at 31 March 2018 and of the group's surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 auditor's 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

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 group's or the parent 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.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Independent auditor's report to the members of New Anglia Local Enterprise Partnership Limited *(continued)*

Year ended 31 March 2018

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Independent auditor's report to the members of New Anglia Local Enterprise Partnership Limited *(continued)*

Year ended 31 March 2018

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 is 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.

Auditor's 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 an auditor's report 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 auditor's report.

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 an auditor's report 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.

Paul Briddon FCA BSc (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered Accountants & statutory auditor
Excelsior House
9 Quay View Business Park
Barnards Way
Lowestoft
NR32 2HD

New Anglia Local Enterprise Partnership Limited Company Limited by Guarantee

Consolidated statement of comprehensive income

Year ended 31 March 2018

	Designated Project Funding 2018 £	Operational Activity 2018 £	Note	Total 2018 £	Total 2017 £
Operational income	-	1,379,015	6	1,379,015	986,328
Grant and project income	<u>42,774,342</u>	-	6	<u>42,774,342</u>	<u>39,395,189</u>
	42,774,342	1,379,015		44,153,357	40,381,517
Grants issued	<u>(26,382,074)</u>	-		<u>(26,382,074)</u>	<u>(37,422,327)</u>
	(26,382,074)	-		(26,382,074)	(37,422,327)
Gross surplus	16,392,268	1,379,015		17,771,283	2,959,190
Administrative expenses	<u>(1,470,329)</u>	<u>(1,184,220)</u>		<u>(2,654,549)</u>	<u>(2,090,768)</u>
Operating surplus	14,921,939	194,795	7	15,116,734	868,422
Interest receivable	431,299	2,454		433,753	222,176
Surplus on ordinary activities before taxation	15,353,238	197,249		15,550,487	1,090,598
Taxation	<u>(6,875)</u>	<u>(466)</u>	11	<u>(7,341)</u>	<u>(25,048)</u>
Surplus for the financial year	<u>15,346,363</u>	<u>196,783</u>		<u>15,543,146</u>	<u>1,065,550</u>
Retained earnings at the start of the year	26,499,749	347,707		26,847,456	25,781,906
Retained earnings at the end of the year	<u>41,846,112</u>	<u>544,490</u>		<u>42,390,602</u>	<u>26,847,456</u>

All of the activities of the group are classed as continuing.

The notes on pages 12 to 23 form part of these financial statements.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Consolidated statement of financial position

31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12	25,642	24,905
Investments	13	11,048,314	9,965,837
		<u>11,073,956</u>	<u>9,990,742</u>
Current assets			
Debtors	14	3,281,016	2,287,159
Investments	16	–	597,000
Cash at bank and in hand	15	28,401,612	14,363,034
		<u>31,682,628</u>	<u>17,247,193</u>
Creditors: Amounts falling due within one year	17	<u>(365,982)</u>	<u>(390,479)</u>
Net current assets		<u>31,316,646</u>	<u>16,856,714</u>
Total assets less current liabilities		<u>42,390,602</u>	<u>26,847,456</u>
Net assets		<u>42,390,602</u>	<u>26,847,456</u>
Capital and reserves			
Other reserves, including the fair value reserve	20	41,846,112	26,499,749
Income and expenditure account	20	544,490	347,707
Members funds		<u>42,390,602</u>	<u>26,847,456</u>

These financial statements were approved by the board of directors and authorised for issue on 6 September 2018, and are signed on behalf of the board by:

Mr D Field - Chair
Director

Company registration number: 07685830

The notes on pages 13 to 23 form part of these financial statements.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Company statement of financial position

31 March 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12	25,642	24,905
Investments	13	9,482,226	8,842,749
		<u>9,507,868</u>	<u>8,867,654</u>
Current assets			
Debtors	14	4,819,312	3,384,439
Investments	16	–	597,000
Cash at bank and in hand	15	28,401,612	14,363,034
		<u>33,220,924</u>	<u>18,344,473</u>
Creditors: Amounts falling due within one year	17	<u>(362,998)</u>	<u>(389,479)</u>
Net current assets		<u>32,857,926</u>	<u>17,954,994</u>
Total assets less current liabilities		<u>42,365,794</u>	<u>26,822,648</u>
Net assets		<u>42,365,794</u>	<u>26,822,648</u>
Capital and reserves			
Other reserves, including the fair value reserve	20	41,821,304	26,474,941
Income and expenditure account	20	544,490	347,707
Members funds		<u>42,365,794</u>	<u>26,822,648</u>

These financial statements were approved by the board of directors and authorised for issue on 6 September 2018, and are signed on behalf of the board by:

Mr D Field - Chair
Director

Company registration number: 07685830

The notes on pages 13 to 23 form part of these financial statements.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Consolidated statement of cash flows

Year ended 31 March 2018

	2018 £	2017 £
Cash flows from operating activities		
Surplus for the financial year	15,543,146	1,065,550
<i>Adjustments for:</i>		
Depreciation of tangible assets	14,807	11,958
Other interest receivable and similar income	(433,753)	(222,176)
Tax on surplus on ordinary activities	7,341	25,048
Accrued (income)/expenses	(12,234)	189,818
<i>Changes in:</i>		
Trade and other debtors	(993,857)	(1,653,602)
Trade and other creditors	9,282	(2,930)
Cash generated from operations	14,134,732	(586,334)
Interest received	433,753	222,176
Tax paid	(28,889)	(8,964)
Net cash from/(used in) operating activities	<u>14,539,596</u>	<u>(373,122)</u>
Cash flows from investing activities		
Purchase of tangible assets	(15,544)	(9,302)
Cash advances and loans granted	(1,639,477)	(693,368)
Purchases of other investments	(443,000)	(868,000)
Proceeds from sale of other investments	1,597,000	670,000
Net cash used in investing activities	<u>(501,021)</u>	<u>(900,670)</u>
Net increase/(decrease) in cash and cash equivalents	14,038,575	(1,273,792)
Cash and cash equivalents at beginning of year	<u>14,363,034</u>	<u>15,636,826</u>
Cash and cash equivalents at end of year	<u>28,401,609</u>	<u>14,363,034</u>

The notes on pages 13 to 23 form part of these financial statements.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2018

1. General information

New Anglia Local Enterprise Partnership Limited is a company limited by guarantee and is incorporated in England. The address of its registered office is 1 St James Court, Norwich, Norfolk, NR3 1RU. The address of the trading office is Centrum, Norwich Research Park, Norwich, Norfolk, NR4 7UG. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

Consolidation

The consolidated financial statements incorporate the accounts of New Anglia Local Enterprise Partnership Limited and its subsidiary company, New Anglia Capital Limited, made up to 31 March 2018. Although the subsidiary company is limited by guarantee and has no share capital, the directors consider it appropriate to consolidate on the grounds that it is under the control of the parent.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not included its individual statement of comprehensive income.

Comparatives for New Anglia Capital Limited have been incorporated into the comparative year figures where appropriate.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- Depreciation and the estimation of the residual value of the asset at the end of its useful economic life.
- Recoverability of the loans issued as investments.

Revenue recognition

Income arising in the year is analysed into either Operational Activity or Designated Project Funding. Operational Activity includes income received to cover the day to day core funding requirements of the LEP such as administration costs and staff remuneration. It also includes income to fund certain projects undertaken directly by the LEP. Designated Project Funding includes income received for specific projects which are then distributed by the LEP to third parties. They are generally funds provided by Government or other agencies. Costs directly attributable to designated projects are charged against this income and shown as an expense. Where the LEP incurs costs which may be partly attributable to Operational Activity and partly to designated projects then the Board allocate such expenditure based on a fair and reasonable assessment of the time and cost expended on each project.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the Income and expenditure account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable surplus for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Office improvements	-	16.67% straight line
Equipment	-	20% - 33.33% Straight Line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Financial instruments

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Such assets are subsequently carried at amortised cost using the effective interest method. Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Pension plans

During the year, employees of the company accrued benefits under a defined benefit pension scheme. The scheme is operated by local government and includes their own employees. As such it is not possible to identify the company's share of the underlying assets and liabilities held within the scheme on a consistent and reasonable basis. The scheme has therefore been accounted for as a defined contribution scheme in accordance with FRS 102.

The company also operates a defined contribution scheme. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Income and expenditure account.

4. Company limited by guarantee

The company is limited by guarantee and accordingly does not have share capital. Every member of the company undertakes to contribute such amounts as may be required not exceeding £1 to the assets of the company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

5. Income

Income arises from:

	2018 £	2017 £
Grants	44,153,357	40,381,517

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2018

5. Income *(continued)*

The whole of the income is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

6. Operating surplus

Operating surplus or deficit is stated after charging:

	2018	2017
	£	£
Depreciation of tangible assets	<u>14,807</u>	<u>11,958</u>

7. Auditor's remuneration

	2018	2017
	£	£
Fees payable for the audit of the financial statements	<u>8,950</u>	<u>6,162</u>
Fees payable to the company's auditor and its associates for other services: Other non-audit services	<u>12,853</u>	<u>14,517</u>

8. Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2018	2017
	No.	No.
Directors	16	16
Delivery team	<u>35</u>	<u>30</u>
	<u>51</u>	<u>46</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2018	2017
	£	£
Wages and salaries	1,331,391	1,057,164
Social security costs	142,315	109,205
Other pension costs	<u>88,955</u>	<u>112,985</u>
	<u>1,562,661</u>	<u>1,279,354</u>

The directors do not receive any emoluments.

The total compensation payable in respect of 6 (2017: 5) key management personnel amounted to £389,764 (2017: £319,902).

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2018

9. Other interest receivable and similar income

	2018	2017
	£	£
Interest on loans and receivables	<u>433,753</u>	<u>222,176</u>

10. Tax on surplus on ordinary activities

Major components of tax expense

	2018	2017
	£	£
Current tax:		
UK current tax expense	<u>7,341</u>	<u>25,048</u>
Tax on surplus on ordinary activities	<u>7,341</u>	<u>25,048</u>

Reconciliation of tax expense

The tax assessed on the surplus on ordinary activities for the year is lower than (2017: lower than) the standard rate of corporation tax in the UK of 19% (2017: 20%).

The differences are explained below:-

	2018	2017
	£	£
Surplus on ordinary activities before taxation	<u>15,550,487</u>	<u>1,090,598</u>
Surplus on ordinary activities by rate of tax	264,292	218,120
Effect of income not taxable	<u>(256,951)</u>	<u>(193,072)</u>
Tax on surplus	<u>7,341</u>	<u>25,048</u>

11. Surplus for the year of the parent company

The surplus for the financial year of the parent company was £15,543,146 (2017: £1,065,550) of which, £12.7m is growth deal funding allocated to projects and will be used in the financial year 2018/19 as grant payments as detailed in note 20.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2018

12. Tangible assets

Group and company	Land and buildings £	Equipment £	Total £
Cost			
At 1 April 2017	6,312	66,473	72,785
Additions	–	15,544	15,544
Disposals	–	(14,590)	(14,590)
At 31 March 2018	<u>6,312</u>	<u>67,427</u>	<u>73,739</u>
Depreciation			
At 1 April 2017	1,578	46,302	47,880
Charge for the year	1,052	13,755	14,807
Disposals	–	(14,590)	(14,590)
At 31 March 2018	<u>2,630</u>	<u>45,467</u>	<u>48,097</u>
Carrying amount			
At 31 March 2018	<u>3,682</u>	<u>21,960</u>	<u>25,642</u>
At 31 March 2017	<u>4,734</u>	<u>20,171</u>	<u>24,905</u>

13. Investments

Group	Investments other than loans £	Loans £	Total £
Cost			
At 1 April 2017	973,088	8,992,749	9,965,837
Additions	443,000	1,639,477	2,082,477
Disposals	–	(1,000,000)	(1,000,000)
At 31 March 2018	<u>1,416,088</u>	<u>9,632,226</u>	<u>11,048,314</u>
Impairment			
At 1 April 2017 and 31 March 2018	<u>–</u>	<u>–</u>	<u>–</u>
Carrying amount			
At 31 March 2018	<u>1,416,088</u>	<u>9,632,226</u>	<u>11,048,314</u>
At 31 March 2017	<u>973,088</u>	<u>8,992,749</u>	<u>9,965,837</u>
Company			Loans £
Cost			
At 1 April 2017			8,842,749
Additions			1,639,477
Disposals			(1,000,000)
At 31 March 2018			<u>9,482,226</u>
Impairment			
At 1 April 2017 and 31 March 2018			<u>–</u>

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2018

13. Investments *(continued)*

Company	Loans £
Carrying amount At 31 March 2018	9,482,226
At 31 March 2017	8,842,749

This relates to the company's interests in long term loans advanced under the Growing Places Fund for qualifying projects.

All loan disposals represent repayment of loans due in the year.

14. Debtors

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Trade debtors	207,374	116,792	207,374	116,792
Prepayments and accrued income	1,481,305	786,029	1,481,305	786,029
Other debtors	1,592,337	1,384,338	3,130,633	2,481,618
	<u>3,281,016</u>	<u>2,287,159</u>	<u>4,819,312</u>	<u>3,384,439</u>

15. Cash at bank and in hand

Group and Company	2018 £	2017 £
Current account	212,147	66,289
Accountable Body funds	27,063,789	13,240,239
Deposit account	784,412	217,408
Deposit account (notice)	339,295	837,075
Current account (ERDF)	1,839	1,906
Cash in hand	130	117
	<u>28,401,612</u>	<u>14,363,034</u>

The Accountable Body funds are held on deposit on behalf of the Company by Suffolk County Council. These funds are attributable to the Growing Places, Projects Revenue Allocation, Programmes Administration and Growth Deal with expenditure planned in future years.

16. Investments

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Investments	<u>—</u>	<u>597,000</u>	<u>—</u>	<u>597,000</u>

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2018

17. Creditors: Amounts falling due within one year

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	35,139	47,779	35,139	47,779
Accruals and deferred income	270,967	283,198	267,983	282,198
Corporation tax	7,341	28,889	7,341	28,889
Social security and other taxes	40,746	22,740	40,746	22,740
Other creditors	11,789	7,873	11,789	7,873
	<u>365,982</u>	<u>390,479</u>	<u>362,998</u>	<u>389,479</u>

18. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £50,909 (2017: £30,911).

Defined benefit plans

The amount recognised in the Income and expenditure account as an expense in relation to defined benefit plans was £38,046 (2017: £78,294).

19. Financial instruments

The carrying amount for each category of financial instrument is as follows:

Financial assets that are debt instruments measured at amortised cost

	Group	
	2018	2017
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>3,128,132</u>	<u>3,260,079</u>

Financial liabilities measured at amortised cost

	Group	
	2018	2017
	£	£
Financial liabilities measured at amortised cost	<u>355,657</u>	<u>389,479</u>

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2018

20. Reserves

Other reserves represent amounts received and held for specific long term projects as follows:

	Balance brought forward £	Surplus/ (deficit) transferred from Income and Expenditure Account £	Balance carried forward £
Group			
Income and expenditure account	347,707	196,783	544,490
Growing Places Capital Infrastructure	20,042,674	2,369,086	22,411,760
Growing Places Other Capital Allocation	3,073,481	–	3,073,481
Projects Revenue Allocation	473,082	(97,765)	375,317
Programmes Administration	665,250	553,253	1,218,503
New Anglia Capital Fund	1,954,282	(66,350)	1,887,932
Enterprise Zone	236,323	674,891	911,214
Local Transport Body Reserves	31,993	–	31,993
Redundancy Reserve	22,664	(10,355)	12,309
Growth Deal	–	11,368,857	11,368,857
Growing Business Fund	–	554,746	554,746
	<u>26,847,456</u>	<u>15,543,146</u>	<u>42,390,602</u>
Company			
Income and expenditure account	347,707	196,783	544,490
Growing Places Capital Infrastructure	20,042,674	2,369,086	22,411,760
Growing Places Other Capital Allocation	3,073,481	–	3,073,481
Projects Revenue Allocation	473,082	(97,765)	375,317
Programmes Administration	665,250	553,253	1,218,503
New Anglia Capital Fund	1,929,474	(66,350)	1,863,124
Enterprise Zone	236,323	674,891	911,214
Local Transport Body Reserves	31,993	–	31,993
Redundancy Reserve	22,664	(10,355)	12,309
Growth Deal	–	11,368,857	11,368,857
Growing Business Fund	–	554,746	554,746
	<u>26,822,648</u>	<u>15,543,146</u>	<u>42,365,794</u>

The movement on Other Reserves is an overall surplus, this reflects grant income received in excess of the grants distributed from grant reserves during the year.

The Growing Places Capital represent funding received from HM Government for the purposes of providing financial support for infrastructure projects.

Of this balance approximately £6.8 million is scheduled to be advanced to committed projects during the next financial year. This is in addition to the £9.5 million which is currently advanced to existing projects.

Projects Revenue Allocation is funding from the Growing Places fund set aside to fund a range of economic development projects.

Programme Administration is part of the funding within Growing Places and Growth Deal to run the programmes.

New Anglia Local Enterprise Partnership Limited

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 March 2018

New Anglia Capital Fund has been established by New Anglia LEP with repaid funding from its Growing Places Fund. These funds are managed by its subsidiary company, New Anglia Capital and are co-invested with private investors to support start-ups with innovative ideas in high growth companies.

The Redundancy Reserve relates to monies received from sponsoring authorities on the transfer of the company's employees under Transfer of Undertakings Protection Employment regulations to fund any potential future redundancy expenditure in respect of those employees.

Growth Deal reserve is part of the LEP's agreed Growth Deal programme from government and is committed to specific projects. This funding will be advanced to those projects during the next financial year.

The Growing Business Fund is a mechanism for providing financial support to businesses in Norfolk and Suffolk. Spending decisions for the fund rest with a panel independent to the LEP. The reserve funding has been allocated and will be used during the next financial year.

21. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Not later than 1 year	40,878	54,102	40,878	54,102
Later than 1 year and not later than 5 years	168,232	168,232	168,232	168,232
	<u>209,110</u>	<u>222,334</u>	<u>209,110</u>	<u>222,334</u>

22. Events after the end of the reporting period

Since the balance sheet date, the company has received £35m from Central Government in respect of the LEP's agreed Growth Deal programme for the financial year 2018/19.

23. Related party transactions

Company

During the year, the company incurred rental and room hire costs from Norwich Research Partners LLP, a partnership in which Prof D Richardson has an interest. The total amount of costs incurred were £61,416 (2017: £57,251). At 31 March 2018 the company owed Norwich Research Partners LLP £Nil (2017: £1,130).

During the year, the company incurred rental costs from Ardencrest Limited, a company which is a wholly owned subsidiary of East of England Co-Operative Society Limited. Mr D Field is joint Chief Executive Office of East of England Co-Operative Society Limited. The total amount of costs incurred were £10,158 (2017: £11,123). At 31 March 2018 the company owed Ardencrest Limited £Nil (2017: £1,791).