

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

COMPANY INFORMATION

DIRECTORS	Mr D Field - Chair Mrs S Ruddock Dr T Whitley Mr S Oliver Mr W Nunn (appointed 4 June 2018, resigned 16 May 2019) Mr M Hicks (appointed 24 May 2018) Mr J Reynolds Ms J Wheeler Mr A Proctor Dr N Savvas Prof D Richardson Mr D Keen Mrs L Rix Mr D Ellesmere Mr A Waters Mr J Griffiths Mr C Noble (resigned 24 May 2018) Mr C Jordan (resigned 18 April 2018) Mr P Joyner (appointed 27 February 2019) Ms C Cullens (appointed 27 February 2019)
REGISTERED NUMBER	07685830
REGISTERED OFFICE	Mills & Reeve LLP 1 St James Court, Whitefriars Norwich Norfolk NR3 1RU
INDEPENDENT AUDITORS	Price Bailey LLP Chartered Accountants & Statutory Auditors Anglia House, 6 Central Avenue St Andrews Business Park Thorpe St Andrew Norwich Norfolk NR7 0HR

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

CONTENTS

	Page
Group Strategic Report	1 - 3
Directors' Report	4 - 5
Independent Auditors' Report	6 - 8
Consolidated Statement of Comprehensive Income	9
Consolidated Balance Sheet	10
Company Balance Sheet	11
Consolidated Statement of Cash Flows	12
Notes to the Financial Statements	13 - 34

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2019

New Anglia Local Enterprise Partnership (LEP), is a partnership of business, local authority and education leaders, collaborating to grow the area's economy, create jobs and improve productivity.

Aims and Objectives

The core goal of the LEP is to enable businesses to grow, innovate and seek new opportunities, increase productivity and support inclusive growth in Norfolk and Suffolk.

During the period, it has continued to invest in key projects and provide support to the region's businesses. Since the launch of the Economic Strategy for Norfolk and Suffolk in autumn 2017, the focus has been on delivering on its ambitions and key themes for local growth: Our Offer to the World, Driving Inclusion and Skills and Driving Business Growth and Productivity.

One of the ways to deliver and facilitate growth is through the Growth Deal programme, totalling £290million since 2014. The funding supports projects and programmes that will boost skills, drive innovation, provide targeted business support and improve transport and infrastructure.

Core Programmes and Projects

In March 2019, the LEP Board agreed the recommendations to award £14.5million of capital investments through the Growth Deal. The projects will receive funding over the next two financial years to help meet the ambitions set in the Economic Strategy. For example, £6.5million will be invested in the University of Suffolk's new ICT research and training centre and £6.1million will be awarded to City College Norwich for a Digi-Tech Factory. This will enable students, apprentices and businesses to increase their digital capability.

Work has started on The Hold in Ipswich which will become the new home for the majority of Suffolk's unique archival collection as well as a state-of-the-art public facility and teaching space for the University of Suffolk. The project was awarded £250,000 through the LEP's Growing Places Fund.

Funding was awarded to important infrastructure projects such as Great Yarmouth flood defences and A140 improvements at Eye and Hempnall. The LEP has also awarded a loan to develop a new business park, bringing new jobs and businesses to Stowmarket. All loans issued by the LEP carry a degree of risk, which is mitigated by appropriate due diligence and regular monitoring.

For the first time the LEP has launched a revenue fund – the Innovative Projects Fund – with a total value of £500,000 to invest in projects which will support economic growth.

The LEP executive team has worked closely with economic development officers from the county councils, Department for International Trade and the chambers of commerce on strengthening inter-regional and international trading relations, including with the South West and the Netherlands through trade missions and Memoranda of Understanding.

The LEP's business support programmes and flagship Growth Hub continue to offer free and impartial advice, helping hundreds of firms to grow, develop and innovate. At the year end 7,460 businesses had accessed the service since its launch in 2014.

A significant milestone was the naming of Norfolk and Suffolk as the UK's leading centre for offshore wind with the launch of a new industry cluster. The Norfolk and Suffolk Offshore Wind Cluster brings together the biggest names in the industry, including Scottish Power Renewables and Vattenfall together with the area's ports, local authorities, business groups and educational institutions.

The cluster will help create thousands of new jobs and unlock investment in the local area from the opportunities in the whole sector. This was a direct result following the LEP's engagement with Government officials involving them in plans for the sector.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

The LEP's Enterprise Zone sites deliver space for businesses to grow. To date, the zone is home to 115 companies and has helped to create 3,964 jobs.

Performance and Financial Overview

LEP projects are monitored against a series of key performance indicators (KPIs). These include performance against spend and the delivery of agreed outputs. Each programme reports against KPIs in a performance report which can be found on the LEP's website.

The LEP's internal KPIs cover finances and performance against the LEP's delivery plan. Full details of measures of KPI's are published in minutes on the LEP's website www.newanglia.co.uk.

KPIs include financial and output performance against annual targets for our key projects including Growth Deal, Enterprise Zone and Growth Programme.

Each member of the LEP team has its own individual objectives which form part of the LEP's overall delivery plan. This year the LEP introduced the Working Well initiative to support the team's health and wellbeing.

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 made available to those projects during the next financial year. The LEP has been awarded a total of £290million by Government to deliver the Growth Deal over a six-year period. The funding profile varies from year to year. In 2018-19 the annual allocation was £34.6million, in 2019-20 it will be £24.6million leaving £47.4million for the year 2020-21.

For the first time the defined benefit pension scheme liability has been brought onto the balance sheet. This covers two members of the team who were subject to TUPE at the formation of the LEP. Other employees are members of the LEP's defined contribution scheme.

The LEP constantly reviews the performance of its investments and makes provisions against loans and investment where appropriate. During the current financial year due to concerns about recoverability provisions have been made against £500,000 of loans in New Anglia LEP and £120,000 against investments in New Anglia Capital.

The majority of the LEP's funding is secured from Government, both core funding and project funding. Other funding is secured from the European Union, from business rates generated on the LEP's Enterprise Zone sites and through contributions from local authority partners.

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 its annual review with Government, the LEP's governance, strategy and delivery were all rated as good.

Political and Economic Climate

A further risk identified is the political uncertainty caused by the change in Prime Minister and Government ministers with the potential for changes in Government policy.

We are mitigating this risk by working with LEP colleagues across the country to demonstrate the value LEPs bring in supporting economic growth.

Finally, the UK's departure from the EU poses both short term economic risks to the area as well as changing the landscape for funding.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

New Anglia Capital (NAC) is a wholly owned subsidiary of New Anglia Local Enterprise Partnership.

New Anglia LEP has established a co-investment fund to be managed by NAC to make risk-capital co-investments alongside entrepreneurs in high growth-potential companies based in Norfolk and Suffolk.

The principle aims of NAC include:

- Establishing a network of business entrepreneurs and angel investors to provide a pool of risk-capital and business finance that can support start-ups, innovative business ideas and high growth companies.
- Identifying and providing a pipeline of investment opportunities for risk-capital investment, co-investing with angel investors and entrepreneurs that meet the company criteria, including creating new jobs.
- Investment opportunities should also promote the wider objectives of New Anglia LEP e.g. support for sectors including engineering, life sciences, agri-tech, health, energy, ICT and digital tech.

Risks to New Anglia Capital include identifying and maintaining an effective level of investors in the region and the risk of failure of individual companies in which NAC has an equity share.

This report was approved by the board on 3 September 2019 and signed on its behalf.

Mr D Field - Chair
Director & Chair

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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.

RESULTS AND DIVIDENDS

The surplus for the year, after taxation, amounted to £11,845,510 (2018 - £15,543,147).

The majority of the surplus is growth deal funding allocated to projects and will be used in the financial year 2019/20 as grant payments.

DIRECTORS

The directors who served during the year were:

Mr D Field - Chair
Mrs S Ruddock
Dr T Whitley
Mr S Oliver
Mr W Nunn (appointed 4 June 2018, resigned 16 May 2019)
Mr M Hicks (appointed 24 May 2018)
Mr J Reynolds
Ms J Wheeler
Mr A Proctor
Dr N Savvas
Prof D Richardson
Mr D Keen

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2019

Mrs L Rix
Mr D Ellesmere
Mr A Waters
Mr J Griffiths
Mr C Noble (resigned 24 May 2018)
Mr C Jordan (resigned 18 April 2018)
Mr P Joyner (appointed 27 February 2019)
Ms C Cullens (appointed 27 February 2019)

FUTURE DEVELOPMENTS

During 2018 the government undertook its own review of LEPs and published recommendations. New Anglia has implemented in full the recommendations of this review.

The 2019 Local Assurance Framework brings New Anglia LEP's governance in line with the National Local Growth Assurance Framework and the recommendations of the LEP review.

Two additional private sector LEP Board members have been recruited as part of this implementation.

Our Articles of Association have been updated to reflect these changes and adopted by the members.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

AUDITORS

The auditors, Price Bailey LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 3 September 2019 and signed on its behalf.

Mr D Field - Chair
Director

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW ANGLIA LOCAL ENTERPRISE
PARTNERSHIP LIMITED**

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 2019, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group 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 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's affairs as at 31 March 2019 and of the Group's profit 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 United Kingdom, including the Financial Reporting Council'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.

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 Auditors' 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.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW ANGLIA LOCAL ENTERPRISE
PARTNERSHIP LIMITED (CONTINUED)**

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.

OPINION 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group 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 Group 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.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement on page 4, 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.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW ANGLIA LOCAL ENTERPRISE
PARTNERSHIP LIMITED (CONTINUED)**

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 an Auditors' 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 Auditors' 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 Auditors' 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.

Aaron Widdows ACA FCCA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Anglia House, 6 Central Avenue
St Andrews Business Park
Thorpe St Andrew
Norwich
Norfolk
NR7 0HR

26 September 2019

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED

(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

	Designated Project Funding 2019 £	Operational Activity 2019 £	Note	Total 2019 £	Total 2018 £
Operational income	-	1,882,461		1,882,461	1,379,015
Grant and project income	37,183,542	-		37,183,542	42,774,342
	<u>37,183,542</u>	<u>1,882,461</u>	4	<u>39,066,003</u>	<u>44,153,357</u>
Grants issued	(23,343,151)	-		(23,343,151)	(26,382,074)
Impairment of investments	(620,000)	-		(620,000)	
	<u>13,220,391</u>	<u>1,882,461</u>		<u>15,102,852</u>	<u>17,771,283</u>
Gross surplus	13,220,391	1,882,461		15,102,852	17,771,283
Administrative expenses	(1,727,707)	(1,855,503)		(3,583,210)	(2,654,549)
	<u>11,467,872</u>	<u>26,958</u>	5	<u>11,494,830</u>	<u>15,116,734</u>
Operating surplus	11,467,872	26,958		11,494,830	15,116,734
Interest receivable	447,553	4,532		452,085	433,753
Net finance costs	-	(2,000)	16	(2,000)	-
	<u>11,915,425</u>	<u>29,490</u>		<u>11,944,915</u>	<u>15,550,487</u>
Surplus on ordinary activities before taxation	11,915,425	29,490		11,944,915	15,550,487
Taxation	(55,356)	(861)	8	(56,217)	(7,341)
	<u>11,884,881</u>	<u>28,629</u>		<u>11,913,510</u>	<u>15,543,146</u>
Surplus for the financial year	11,884,881	28,629		11,913,510	15,543,146
	<u>11,884,881</u>	<u>(68,000)</u>	16	<u>(68,000)</u>	<u>-</u>
Actuarial loss on defined benefit pension scheme	-	(68,000)		(68,000)	-
	<u>11,884,881</u>	<u>(39,371)</u>		<u>11,845,510</u>	<u>15,543,146</u>
Total Comprehensive Income for the year	11,884,881	(39,371)		11,845,510	15,543,146
	<u>41,846,112</u>	<u>544,490</u>	18	<u>42,390,602</u>	<u>26,847,456</u>
Retained earnings at the start of the year	41,846,112	544,490		42,390,602	26,847,456
	<u>53,730,993</u>	<u>505,119</u>		<u>54,236,112</u>	<u>42,390,602</u>
Retained earnings at the end of the year	53,730,993	505,119		54,236,112	42,390,602

All of the activities of the group are classed as continuing.
The notes on pages 13 to 34 form part of these financial statements.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07685830

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	9	45,339	25,642
Investments	10	14,007,925	11,048,314
		<u>14,053,264</u>	<u>11,073,956</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	2,595,382	3,281,016
Cash at bank and in hand		38,445,893	28,401,612
		<u>41,041,275</u>	<u>31,682,628</u>
Creditors: amounts falling due within one year	12	(685,427)	(365,982)
NET CURRENT ASSETS		40,355,848	31,316,646
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>54,409,112</u>	<u>42,390,602</u>
PROVISIONS FOR LIABILITIES			
NET ASSETS EXCLUDING PENSION LIABILITY		<u>54,409,112</u>	<u>42,390,602</u>
Pension liability		(173,000)	-
NET ASSETS		<u><u>54,236,112</u></u>	<u><u>42,390,602</u></u>
CAPITAL AND RESERVES			
Other reserves		53,557,993	41,846,112
Profit and loss account		678,119	544,490
MEMBER FUNDS		<u><u>54,236,112</u></u>	<u><u>42,390,602</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 September 2019.

**Mr D Field - Chair
Director**

The notes on pages 13 to 34 form part of these financial statements.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07685830

COMPANY BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	9	45,339	25,642
Investments	10	12,001,092	9,482,226
		<u>12,046,431</u>	<u>9,507,868</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	11	4,577,407	4,819,312
Cash at bank and in hand		38,445,893	28,401,612
		<u>43,023,300</u>	<u>33,220,924</u>
Creditors: amounts falling due within one year	12	(685,427)	(362,998)
NET CURRENT ASSETS		42,337,873	32,857,926
		<u>54,384,304</u>	<u>42,365,794</u>
Pension liability		(173,000)	-
NET ASSETS		<u><u>54,211,304</u></u>	<u><u>42,365,794</u></u>
CAPITAL AND RESERVES			
Other reserves		53,533,185	41,821,304
Profit and loss account carried forward		678,119	544,490
MEMBERS FUNDS		<u><u>54,211,304</u></u>	<u><u>42,365,794</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 September 2019.

Mr D Field - Chair
Director

The notes on pages 13 to 34 form part of these financial statements.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus for the financial year	11,913,510	15,543,147
ADJUSTMENTS FOR:		
Depreciation of tangible assets	18,674	14,807
Impairment of investments	620,000	-
Interest received	(452,085)	(433,753)
Taxation charge	56,389	7,341
Decrease/(increase) in debtors	558,389	(993,858)
Increase/(decrease) in creditors	270,397	(60,727)
Increase in net pension liability	105,000	-
Corporation tax (paid)/received	(7,341)	28,889
NET CASH GENERATED FROM OPERATING ACTIVITIES	13,082,933	14,105,846
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(38,371)	(15,544)
Loans issued	(6,549,870)	(1,639,477)
Loans repaid	3,681,004	1,597,000
Purchase of unlisted and other investments	(710,745)	(443,000)
Interest received	579,330	433,753
NET CASH FROM INVESTING ACTIVITIES	(3,038,652)	(67,268)
INCREASE IN CASH AND CASH EQUIVALENTS	10,044,281	14,038,578
Cash and cash equivalents at beginning of year	28,401,612	14,363,034
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	38,445,893	28,401,612
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	38,445,893	28,401,612
	38,445,893	28,401,612

The notes on pages 13 to 34 form part of these financial statements.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

1. GENERAL INFORMATION

New Anglia Local Enterprise Partnership Limited is a private company limited by guarantee and is incorporated in England. The address of the registered office is Mills & Reeve LLP, 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 operations and its principal activities are set out in the strategic report.

The only subsidiary within the Group is New Anglia Capital Ltd. This is included within the consolidation. New Anglia Capital Ltd is a private company limited by guarantee and is incorporated in England. The address of the registered and trading offices is the same as the parent company.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling which is the functional currency of the Group. They are rounded to the nearest £1.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

Due to the nature of the Company's activities, the directors consider that it would be inappropriate to present the Statement of Comprehensive Income in either of the standard formats recognised by the Companies Act 2006. The format adopted has been selected as it presents the categories of income and expenditure more accurately for readers of the financial statements.

The following principal accounting policies have been applied:

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.3 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.

Government grants are accounted for under the performance model as permitted by Financial Reporting Standard 102. Government grants are recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Other funding is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

2.4 OPERATING LEASES: THE GROUP AS LESSEE

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

2.5 INTEREST INCOME

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2.6 FINANCE COSTS

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 PENSIONS

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.7 PENSIONS (continued)

Defined benefit pension plan

The Group provides retirement benefits for certain employees through the Norfolk Pension Fund, a defined benefit pension plan. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2.8 TAXATION

Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.8 TAXATION (continued)

The Company operates as a not-for-profit entity, and receives direct financial support from constituent local authorities in addition to grants from Government. It does not carry out a trade for tax purposes. As a result, the net surplus arising from these activities is non-trading and is exempt from corporation tax. The Company is liable to corporation tax on bank interest and other investment income.

2.9 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office improvements	- 16.67% straight line
Equipment	- 20 - 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.10 IMPAIRMENT OF FIXED ASSETS AND GOODWILL

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.11 VALUATION OF INVESTMENTS

Investments in unlisted companies are initially measured at cost, and subsequently stated at cost less impairment.

Once an impairment loss has been identified for an asset measured at cost less impairment, its amount is measured as the difference between the asset's carrying amount and the amount for which the asset could be sold at the reporting date. This amount is then recognised in the Consolidated Statement of Comprehensive Income.

2.12 DEBTORS

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions and Suffolk County Council repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.15 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.16 FINANCIAL INSTRUMENTS

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

2. ACCOUNTING POLICIES (CONTINUED)

2.16 FINANCIAL INSTRUMENTS (continued)

reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES 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:

Impairment of investments

At the end of each reporting period, the Group assess whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost. If there is objective evidence of impairment, the entity shall recognise an impairment loss in the Consolidated Statement of Comprehensive Income immediately.

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.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

Pensions

The liability recognised in the balance sheet in respect of the group's retirement benefit obligations represents the liabilities of the group's defined benefit pension scheme after deduction of the fair value of the related assets. The schemes' liabilities are derived by estimating the ultimate cost of benefits payable by the scheme and reflecting the discounted value of the proportion accrued by the year end in the balance sheet. In order to arrive at these estimates, a number of key financial and non-financial assumptions are made by management, changes to which could have a material impact upon the net deficit and also the net cost recognised in the profit and loss account. The principle assumptions relate to the rate of inflation, mortality and the discount rate. The assumed rate of inflation is important because this affects the rate at which salaries grow and therefore the size of the pension that employees receive upon retirement. Over the longer term, rates of inflation can vary significantly.

The overall benefits payable by the scheme will also depend upon the length of time that members of the schemes live for; the longer they remain alive, the higher the cost of the pension benefits to be met by the scheme. Assumptions are made regarding the expected lifetime of the schemes' members, based upon recent national experience. However, given the rates of advance in medical science, it is uncertain whether these assumptions will prove to be accurate in practice.

The rate used to discount the resulting cash flows is equivalent to the market yield at the statement of financial position date on UK government securities with a similar duration to the schemes liabilities. This rate is potentially subject to significant variation. The net cost recognised in the profit and loss account is also affected by the return on the schemes' assets. The impact of the pension estimates on the group's accounts can be seen in note 16.

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:

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

4. INCOME

Income arises from:

	2019 £	2018 £
Grants	39,066,003	44,153,358

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

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

5. OPERATING SURPLUS

The operating surplus is stated after charging:

	2019 £	2018 £
Operating lease rentals	77,638	60,700
Impairment of investments	620,000	-
Depreciation of tangible fixed assets	18,674	14,807
	<u> </u>	<u> </u>

6. EMPLOYEES

Staff costs were as follows:

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Wages and salaries	1,957,258	1,331,391	1,921,812	1,331,391
Social security costs	202,285	142,315	202,285	142,315
Defined benefit scheme service cost	103,000	-	103,000	-
Pension contributions	139,235	88,955	139,235	88,955
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>2,401,778</u>	<u>1,562,661</u>	<u>2,366,332</u>	<u>1,562,661</u>

The directors do not receive any emoluments.

The total remuneration payable in respect of 7 (2018: 6) key management personnel amounted to £517,116 (2018: £389,764)

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

	2019 No.	2018 No.
Leadership Team	7	6
Project Delivery Team	38	24
Administrative Team	5	5
	<u> </u>	<u> </u>
	<u>50</u>	<u>35</u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

7. AUDITORS' REMUNERATION

	2019 £	2018 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	9,000	8,950
FEE PAYABLE TO THE GROUP'S AUDITOR AND ITS ASSOCIATES IN RESPECT OF:		
Taxation compliance services	950	-
All other services	4,470	12,853
	5,420	12,853

8. TAXATION

	2019 £	2018 £
CORPORATION TAX		
Current tax on profits for the year	56,217	7,341
TOTAL CURRENT TAX	56,217	7,341
DEFERRED TAX		
TOTAL DEFERRED TAX	-	-
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	56,217	7,341

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

8. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit on ordinary activities before tax	11,969,727	15,550,487
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	2,373,307	2,954,593
EFFECTS OF:		
Non-taxable income	(2,317,090)	(2,947,252)
TOTAL TAX CHARGE FOR THE YEAR	<u>56,217</u>	<u>7,341</u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

9. TANGIBLE FIXED ASSETS

Group

	Office Improvements £	Equipment £	Total £
COST OR VALUATION			
At 1 April 2018	6,312	67,427	73,739
Additions	-	38,371	38,371
Disposals	-	(12,270)	(12,270)
At 31 March 2019	<u>6,312</u>	<u>93,528</u>	<u>99,840</u>
DEPRECIATION			
At 1 April 2018	2,630	45,467	48,097
Charge for the year on owned assets	1,052	17,622	18,674
Disposals	-	(12,270)	(12,270)
At 31 March 2019	<u>3,682</u>	<u>50,819</u>	<u>54,501</u>
NET BOOK VALUE			
At 31 March 2019	<u>2,630</u>	<u>42,709</u>	<u>45,339</u>
At 31 March 2018	<u>3,682</u>	<u>21,960</u>	<u>25,642</u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

9. TANGIBLE FIXED ASSETS (CONTINUED)

Company

	Office Improvements £	Equipment £	Total £
COST OR VALUATION			
At 1 April 2018	6,312	67,427	73,739
Additions	-	38,371	38,371
Disposals	-	(12,270)	(12,270)
At 31 March 2019	<u>6,312</u>	<u>93,528</u>	<u>99,840</u>
DEPRECIATION			
At 1 April 2018	2,630	45,467	48,097
Charge for the year on owned assets	1,052	17,622	18,674
Disposals	-	(12,270)	(12,270)
At 31 March 2019	<u>3,682</u>	<u>50,819</u>	<u>54,501</u>
NET BOOK VALUE			
At 31 March 2019	<u><u>2,630</u></u>	<u><u>42,709</u></u>	<u><u>45,339</u></u>
At 31 March 2018	<u><u>3,682</u></u>	<u><u>21,960</u></u>	<u><u>25,642</u></u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

10. FIXED ASSET INVESTMENTS

Group

	Loans £	Other investments £	Total £
COST OR VALUATION			
At 1 April 2018	9,482,226	1,566,088	11,048,314
Additions	6,549,870	710,745	7,260,615
Loans repaid	(3,531,004)	-	(3,531,004)
Disposals	-	(150,000)	(150,000)
At 31 March 2019	<u>12,501,092</u>	<u>2,126,833</u>	<u>14,627,925</u>
IMPAIRMENT			
Charge for the period	500,000	120,000	620,000
At 31 March 2019	<u>500,000</u>	<u>120,000</u>	<u>620,000</u>
NET BOOK VALUE			
At 31 March 2019	<u><u>12,001,092</u></u>	<u><u>2,006,833</u></u>	<u><u>14,007,925</u></u>
At 31 March 2018	<u><u>9,482,226</u></u>	<u><u>1,566,088</u></u>	<u><u>11,048,314</u></u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

10. FIXED ASSET INVESTMENTS (CONTINUED)

Company

	Loans £
COST OR VALUATION	
At 1 April 2018	9,482,226
Additions	6,549,870
Loans repaid	(3,531,004)
	12,501,092
IMPAIRMENT	
Charge for the period	500,000
	500,000
NET BOOK VALUE	
At 31 March 2019	12,001,092
At 31 March 2018	9,482,226

11. DEBTORS

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade debtors	217,439	207,374	217,439	207,374
Amounts owed by group undertakings	-	-	1,982,024	1,566,088
Other debtors	1,209,926	1,592,337	1,209,926	1,564,545
Prepayments and accrued income	1,168,017	1,481,305	1,168,018	1,481,305
	2,595,382	3,281,016	4,577,407	4,819,312

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

12. CREDITORS: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Trade creditors	135,604	35,139	135,604	35,139
Corporation tax	56,389	7,341	56,389	7,341
Other taxation and social security	61,354	40,746	61,354	40,746
Other creditors	20,850	11,789	20,850	11,789
Accruals and deferred income	411,230	270,967	411,230	267,983
	<u>685,427</u>	<u>365,982</u>	<u>685,427</u>	<u>362,998</u>

13. FINANCIAL INSTRUMENTS

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
FINANCIAL ASSETS				
Financial assets measured at amortised cost	<u>53,716,422</u>	<u>41,135,721</u>	<u>51,709,589</u>	<u>39,569,633</u>
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost	<u>(228,310)</u>	<u>(106,343)</u>	<u>(228,310)</u>	<u>(106,343)</u>

Financial assets measured at amortised cost comprise equity investments, loans, accrued income, trade debtors, other debtors and cash at bank.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

14. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

15. 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			
Profit and Loss Account	544,490	133,629	678,119
Growing Places Capital Infrastructure	22,411,760	169,134	22,580,894
Programmes Administration	1,218,503	598,437	1,816,940
Projects Revenue Allocation	375,317	(100,940)	274,377
Enterprise Zone	911,214	69,079	980,293
Local Transport Body Reserves	31,993	-	31,993
Redundancy Reserve	12,309	-	12,309
Growing Places Other Capital Allocation	3,073,481	(1,000,000)	2,073,481
New Anglia Capital	1,887,932	820,880	2,708,812
Growth Deal	11,368,857	11,052,228	22,421,085
Growing Business Fund	554,746	(223,937)	330,809
Innovative Projects	-	500,000	500,000
Defined Benefit Pension Reserve	-	(173,000)	(173,000)
	<u>42,390,602</u>	<u>11,845,510</u>	<u>54,236,112</u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

15. RESERVES (CONTINUED)

	Balance brought forward £	Surplus / (Deficit) transferred from Income and Expenditure Account £	Balance carried forward £
COMPANY			
Profit and Loss Account	544,490	133,629	678,119
Growing Places Capital Infrastructure	22,411,760	169,134	22,580,894
Programmes Administration	1,218,503	598,437	1,816,940
Projects Revenue Allocation	375,317	(100,940)	274,377
Enterprise Zone	911,214	69,079	980,293
Local Transport Body Reserves	31,993	-	31,993
Redundancy Reserve	12,309	-	12,309
Growing Places Other Capital Allocation	3,073,481	(1,000,000)	2,073,481
New Anglia Capital	1,863,124	820,880	2,684,004
Growth Deal	11,368,857	11,052,228	22,421,085
Growing Business Fund	554,746	(223,937)	330,809
Innovative Projects	-	500,000	500,000
Defined Benefit Pension Reserve	-	(173,000)	(173,000)
	<u>42,365,794</u>	<u>11,845,510</u>	<u>54,211,304</u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

15. RESERVES (CONTINUED)

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 £3.3 million is scheduled to be advanced to committed projects during the next financial year. This is in addition to the £12.5 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 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.

The Innovative Projects Fund is a revenue based fund and is generated from the LEP's Enterprise Zones. The fund will prioritise projects which accelerate the LEP's growth of ambition, themes, sectors and key growth locations in the Economic Strategy.

The Enterprise Zones consist of 16 identified sites and working with nine local authority partners encourage businesses and inward investment to locate on the Enterprise Sites, encouraging innovation and higher skilled jobs, target support to help small businesses to grow.

Local Transport Body Income is funding allocated by HM Government to support the Norfolk and Suffolk Local Transport Body.

The Defined Benefit Pension reserve represents the Group's net liability position in relation to its defined benefit pension scheme as at the year end (see note 16).

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

16. PENSION COMMITMENTS

The Group operates a Defined Contribution Pension scheme. The assets of the scheme are held separately from the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £116,631 (2018: £88,955). Contributions totalling £20,827 (2018: £11,766) were payable to the fund at the balance sheet date.

The Group also operates a Defined Benefit Pension Scheme.

A full actuarial valuation of the defined benefit scheme was carried out at 31 March 2019 by a qualified independent actuary. Contributions to the scheme are made by the group based on the advice of the actuary with the aim of making good the deficit over the remaining working life of the employees.

Reconciliation of present value of plan liabilities:

	2019 £	2018 £
RECONCILIATION OF PRESENT VALUE OF PLAN LIABILITIES		
Current service cost	47,000	-
Interest income	(23,000)	-
Interest cost	25,000	-
Actuarial loss	68,000	-
Past service cost	56,000	-
AT THE END OF THE YEAR	173,000	-
	2019 £	2018 £
Composition of plan liabilities:		
Schemes wholly funded	173,000	-

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

16. PENSION COMMITMENTS (CONTINUED)

The amounts recognised in profit or loss are as follows:

	2019 £	2018 £
Included in administrative expenses:		
Staff pension current service costs (DB)	47,000	-
Staff pension past service costs (DB)	56,000	-
	103,000	-
Included in other finance costs		
Other interest - on defined benefit liability	25,000	-
Interest income on pension scheme assets	(23,000)	-
Net interest cost	2,000	-

Reconciliation of fair value of plan liabilities were as follow:

	2019 £	2018 £
Opening defined benefit obligation	904,000	-
Current service cost	47,000	-
Interest cost	25,000	-
Contributions by scheme participants	12,000	-
Actuarial gains and (losses)	96,000	-
CLOSING DEFINED BENEFIT OBLIGATION	1,084,000	-

Reconciliation of fair value of plan assets were as follows:

	2019 £	2018 £
Opening fair value of scheme assets	848,000	-
Interest income on plan assets	23,000	-
Actuarial gains and (losses)	28,000	-
Contributions by scheme participants	12,000	-
	911,000	-

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

16. PENSION COMMITMENTS (CONTINUED)

	2019 £	2018 £
Analysis of actuarial loss recognised in Other Comprehensive Income		
Actual return less interest income included in net interest income	28,000	-
Changes in assumptions underlying the present value of the scheme liabilities	(96,000)	-
	(68,000)	-

Principal actuarial assumptions at the Balance Sheet date:

	2019 %	2018 %
Discount rate	2.5	2.7
Future salary increases	2.7	2.6
Future pension increases	2.4	2.3

Mortality rates:	Years
- for a male aged 65 now	22.1
- at 65 for a male aged 45 now	24.1
- for a female aged 65 now	24.4
- at 65 for a female member aged 45 now	26.4

This is the first year that a formal actuarial valuation of the pension scheme has been performed. Since the liability in the prior year was immaterial, a formal valuation as at 31 March 2018 has not been performed, and hence comparatives have not been stated. The opening liability has been treated as an expense in the current year.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
(A Company Limited by Guarantee)

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

17. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2019 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	Group 2018 £	Company 2019 £	Company 2018 £
Not later than 1 year	40,878	40,878	40,878	40,878
Later than 1 year and not later than 5 years	53,142	94,021	53,142	94,021
	<u>94,020</u>	<u>134,899</u>	<u>94,020</u>	<u>134,899</u>

18. RELATED PARTY TRANSACTIONS

During the year, the company incurred rental and room hire costs from Anglia Innovation Partnership LLP (AIP), a partnership in which Prof D Richardson has an interest by virtue of being the Vice Chancellor of the University of East Anglia, a partner of AIP. The total amount of costs incurred were £91,757 (2018: £61,416). At 31 March 2019 the company owed AIP £148 (2018: £nil).

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. Mr D Field is joint Chief Executive Office of East of England Co-Operative Society Limited. The total amount of costs incurred were £17,305 (2018: £10,158). At 31 March 2019 the company owed Ardencrest Limited £nil (2018: £nil).

During the year, the company incurred legal costs from Birketts LLP, a firm in which Jeanette Wheeler is a partner. The total amount of costs incurred were £4,814 (2018: £nil). At 31 March 2019 the company owed Birketts LLP £nil (2018: £nil).

19. POST BALANCE SHEET EVENTS

Since the balance sheet date, the company has received £24.6m from Central Government in respect of the LEP's agreed Growth Deal programme for the financial year 2019/20.