

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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

COMPANY INFORMATION

Directors	Mr D Field (Chair) Mr S Chapman-Allen (appointed 15 July 2019) Mrs C Cullens Mr D Ellesmere Mrs CJ Green (appointed 21 April 2020) Mr J Griffiths Mr M Hicks Mr P Joyner Mr D Keen Prof H Langton (appointed 1 August 2019) Mr S Oliver Mrs C Peasgood (appointed 1 January 2020) Mr A Proctor Mr J Reynolds Mrs S Ruddock Mr A Waters Ms J Wheeler Dr T Whitley Mr W Nunn (resigned 16 May 2019) Prof D Richardson (resigned 31 July 2019) Mrs L Rix (resigned 21 April 2020) Dr N Savvas (resigned 31 December 2019)
Registered number	07685830
Registered office	Mills & Reeve LLP 1 St James Court 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
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NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2020

Introduction

New Anglia Local Enterprise Partnership Ltd (LEP), is a company bringing together 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 drive business growth and enterprise to support inclusive growth across Norfolk and Suffolk.

During the period, it has continued to invest in key projects and provide support to the region's businesses. Since mid-March 2020, the LEP team has – in line with Government guidance – been working remotely and a number of workstreams have been established to support the regional and national COVID-19 response and recovery work. Working with local partners, the LEP launched its Economic Recovery Restart Plan in June 2020, outlining the funding streams and support programmes in place to help businesses and employees over the next 12 months. More details of this are outlined in the 'Political and Economic Climate' section of this report.

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. The region's draft Local Industrial Strategy, published in autumn 2019, outlines ambitions to deliver growth and become the UK's Clean Growth Region

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

The LEP launched its new Business Resilience and Recovery Scheme in April 2020. The £3.5m grant fund helps support short-term projects and longer-term diversifications for businesses during and recovering from the Covid-19 crisis.

Two state-of-the-art skills facilities, funded through New Anglia LEP's Growth Deal, are now supporting students and local businesses. The STEM Innovation Campus at West Suffolk College and the Energy Skills Centre at East Coast College, which both opened in autumn 2019, will help to grow the next generation of engineers, innovators, and developers to support our key sectors.

The redevelopment of the headquarters building for the Centre for Environment, Fisheries and Aquaculture Science (CEFAS) in Lowestoft, supported by our Growth Deal, is under way, providing updated laboratories and offices.

The New Anglia LEP Enterprise Zones continue to attract new companies and support new jobs. The new headquarters for flavours firm Treatt is taking shape on the site in Bury St Edmunds and Amazon has built a new distribution centre on the site at Sproughton, near Ipswich.

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. The milestone of £30m of grants awarded through LEP programmes was reached in spring 2020.

The new Growth Through Innovation Fund supports companies investing in research and development projects.

A second round of Innovative Project Fund grants were awarded in early 2020. Financial support from Norfolk and Suffolk local authorities, funded through pooled business rates, saw the Fund make £1.5m available for innovative, revenue projects across both counties.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Core programmes and projects (continued)

The LEP's strategic aim to promote our Offer to the World has taken a significant step forward with the launch of the region's new place brand, Norfolk & Suffolk Unlimited, in September 2019. Bringing together public and private sector partners, the new brand is used to promote business location and inward investment opportunities. It has its own website and has already been showcased at a property event in London and a food and drink event in Amsterdam.

The LEP's Growing Places Fund scheme continues to support a range of projects. The New Wolsey Theatre in Ipswich and St Peter's cultural venue in Sudbury have been awarded more than £200,000 to redevelop and modernise their facilities and other investments, including the new visitor centre at Carlton Marshes, are due to open to the public this year.

The LEP's industry councils for agri-food, ICT/digital and all energy are bringing together business leaders to structure work to develop our key sectors.

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.

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 their own individual objectives which form part of the LEP's overall delivery plan. The LEP's Working Well initiative continues 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 but not yet spent. This funding will be made available to those projects during the next financial year as they progress.

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 2019-20 the annual allocation was £24.6million, leaving £47.4million for the year 2020-21. In previous years we received our allocation in April. Receipt from Government of our 2020-21 allocation will be staged – with 2/3 to be paid in May and 1/3 to be paid in September, the final payment being subject to a review of progress.

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 in full or in part, 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 in February 2020, the LEP's governance and delivery were both rated as good. Strategic impact is rated as either meeting requirements or not meeting requirements. New Anglia LEP was rated as meeting requirements.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Political and economic climate

The Covid-19 pandemic poses the most significant threat to our economy in decades. New Anglia LEP is at the forefront of work to ensure local businesses have access to the support and advice they need. Working with the Norfolk and Suffolk Resilience Forums, the LEP team has been supporting business support and recovery projects. This has included advisers speaking directly to business owners to helping protect our key sectors, sharing intelligence with Government, helping frontline services source vital supplies and supporting businesses as they reopen from lockdown. A significant volume of LEP resource and time has been redirected towards supporting the local and national COVID-19 response.

We are undertaking this work with partners – our Industry Councils and sector groups provide key insight into local challenges and our Local Authorities are the ‘feet on the ground’ to ensure communities and businesses have the help they need during the pandemic.

The LEP has been working with local partners to produce the Norfolk and Suffolk Economic Recovery Restart Plan (launched June 2020) which is available online at newanglia.co.uk/covid-economic-recovery. The plan outlines the role the LEP and local public and private sector partners will play in helping businesses reopen safely over the coming months. Work to develop the Renew plan, which covers longer-term actions, is already beginning.

Our recovery will require work across administrative boundaries working with partners in Cambridgeshire and other parts of the country. It will need a joined-up focus on what our businesses need to deliver, both now and in the future.

New Anglia Capital Ltd

New Anglia Capital Ltd (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

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Section 172(1) Statement

New Anglia Local Enterprise Partnership works with businesses, local authority partners and education institutions to drive growth and enterprise in Norfolk and Suffolk. The LEP is transforming the economy by securing funds from government to help businesses grow, through the delivery of ambitious programmes to ensure that businesses have the funding, support, skills, and infrastructure needed to flourish.

Members of New Anglia LEP's Board operate with the aim of ensuring that the organisation maintains its reputation for high standards of business conduct and good governance. The Board considers and understands the long-term effect of its decisions on the regional business community, our stakeholders and employees.

The LEP's aims and objectives are set out in its current Delivery Plan. The Non-Executive Director Agreement outlines the high standards of ethical and professional conduct expected of Board members in ensuring that the LEP's values and obligations to stakeholders – our public sector partners, local businesses, further and higher education partners and Government - are met. It states that Board members will provide entrepreneurial leadership within a framework of prudent and effective controls which enable risk to be assessed and managed.

The Standards of Conduct Policy sets out the principles by which Board members and employees are expected to adhere to the highest standards of governance and propriety. It uses the Nolan Principles as the core of the code of conduct, following the guidelines established by the Committee on Standards in Public Life, which provides independent advice to the prime minister on standards of conduct of holders of all public office. We hold monthly board meetings, regular meetings of our sub boards, committees and sector groups and weekly updates for our employees.

The LEP's Local Assurance Framework sets out how its Board is formed and governed, how decisions are made and how programmes are funded and managed. The Assurance Framework also provides the Government with assurance that the LEP is operating correctly.

As well as investing in capital and revenue projects across the region, the LEP supports local procurement where possible. The LEP has committed to reducing its carbon footprint, by reducing printing, encouraging fewer car journeys / car sharing and implementing agile working for its staff.

Further information about the LEP's governance, including details of its Board members, can be found on the LEP website at www.newanglia.co.uk

This report was approved by the board on 21 Sep 2020 and signed on its behalf.



D Field (Sep 21, 2020, 3:06pm)

.....
Mr D Field (Chair)
Director

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors

The directors who served during the year were:

Mr D Field (Chair)
Mr S Chapman-Allen (appointed 15 July 2019)
Mrs C Cullens
Mr D Ellesmere
Mr J Griffiths
Mr M Hicks
Mr P Joyner
Mr D Keen
Prof H Langton (appointed 1 August 2019)
Mr S Oliver
Mrs C Peasgood (appointed 1 January 2020)
Mr A Proctor
Mr J Reynolds
Mrs S Ruddock
Mr A Waters
Ms J Wheeler
Dr T Whitley
Mr W Nunn (resigned 16 May 2019)
Prof D Richardson (resigned 31 July 2019)
Mrs L Rix (resigned 21 April 2020)
Dr N Savvas (resigned 31 December 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.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

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 £428,464 (2019 - £11,913,510).

Future developments

Our Local Assurance Framework has been updated to reflect the changes in our responsibilities. This was reviewed and approved by Directors at the LEP Board meeting held in March 2020.

A successful board recruitment process has been undertaken.

C-J Green has been appointed to fill the vacancy that arose as a result of the resignation of Lindsey Rix, and as Chair Designate.

Our current Chair, Doug Field, comes to the end of his term at the end of September. At this point C-J Green will take on the role of Chair.

Kathy Atkinson has been appointed as a private sector board member from October 2020.

The changes which we have all experienced in recent weeks will have a profound impact on our economy. New Anglia LEP is at the forefront of work to ensure local businesses have access to the support and advice they need, and resource has been redirected towards supporting the local and national COVID-19 response. Looking ahead, they will also play a key role in recovery.

Alongside our response to COVID-19, our focus on plans to deliver inclusive growth across our region has not changed. We continue to work with partners to work towards the targets in our Economic Strategy and to deliver the interventions in our Local Industrial Strategy.

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.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Post balance sheet events

The COVID-19 pandemic impacted at the very end of the financial year and did not impact on the 2019 – 2020 statement of accounts.

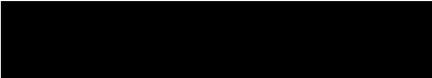
In April 2020 the Board agreed to support a new intervention, the Business Resilience and Recovery scheme with an initial budget of £3.5m to provide support to businesses in the New Anglia region in the form of advice, guidance and grant support for initial resilience and longer term recovery.

The impact on grant funding received from Government is continually assessed/reviewed by New Anglia LEP in relation to grants and loans available to businesses. COVID-19 is now a factor in the assessment and continuous dialogue with Government.

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 21 Sep 2020 and signed on its behalf.



D Field (Sep 21, 2020, 3:06pm)

Mr D Field (Chair)
Director

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS 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 2020, 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 2020 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in

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

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 8, 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
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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS 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 shareholders 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 shareholders 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 shareholders 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

Date: **30/7/2020**

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED

(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Designated Project Funding 2020 £	Operational Activity 2020 £	Note	Total 2020 £	Total 2019 £
Operational income	-	2,104,990		2,104,990	1,882,461
Grant and project income	28,029,415	-		28,029,415	37,183,542
	28,029,415	2,104,990	4	30,134,405	39,066,003
Grants issued	(25,932,402)	-		(25,932,402)	(23,343,151)
Impairment of investments	-	-		-	(620,000)
Gross surplus	2,097,013	2,104,990		4,202,003	15,102,852
Administrative expenses	(2,135,538)	(2,113,396)		(4,248,934)	(3,583,210)
Operating surplus	(38,525)	(8,406)	5	(46,931)	11,494,830
Interest receivable	514,174	38,620		552,794	452,085
Net finance costs		(5,000)	15	(5,000)	(2,000)
Surplus on ordinary activities before taxation	475,649	25,214		500,863	11,944,915
Taxation	(65,383)	(7,016)	8	(72,399)	(56,217)
Surplus for the financial year	410,266	18,198		428,464	11,913,510
Actuarial gain / (loss) on defined benefit pension scheme	-	88,000	15	88,000	(68,000)
Total Comprehensive Income for the year	410,266	106,198		516,464	11,845,510
Retained earnings at the start of the year	53,730,993	505,119	14	54,236,112	42,390,602
Retained earnings at the end of the year	54,141,259	611,317		54,752,576	54,236,112

All of the activities of the group are classed as continuing.
The notes on pages 18 to 37 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 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	48,026	45,339
Investments	10	12,034,642	14,007,925
		<u>12,082,668</u>	<u>14,053,264</u>
Current assets			
Debtors: amounts falling due within one year	11	3,502,305	2,595,382
Cash at bank and in hand		40,004,253	38,445,893
		<u>43,506,558</u>	<u>41,041,275</u>
Creditors: amounts falling due within one year	12	(676,650)	(685,427)
Net current assets		<u>42,829,908</u>	<u>40,355,848</u>
Net assets excluding pension liability		<u>54,912,576</u>	<u>54,409,112</u>
Pension liability		(160,000)	(173,000)
Net assets		<u><u>54,752,576</u></u>	<u><u>54,236,112</u></u>
Capital and reserves			
Other reserves		53,981,259	53,557,993
Profit and loss account		771,317	678,119
MEMBER FUNDS		<u><u>54,752,576</u></u>	<u><u>54,236,112</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



...D.Field (Sep 21, 2020, 3:06pm).....

Mr D Field (Chair)

Director

Date: 21 Sep 2020

The notes on pages 18 to 37 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 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	48,026	45,339
Investments	10	9,788,409	12,001,092
		9,836,435	12,046,431
Current assets			
Debtors: amounts falling due within one year	11	5,720,119	4,577,407
Cash at bank and in hand		40,004,253	38,445,893
		45,724,372	43,023,300
Creditors: amounts falling due within one year	12	(673,039)	(685,427)
		45,051,333	42,337,873
Net current assets		45,051,333	42,337,873
Total assets less current liabilities		54,887,768	54,384,304
Net assets excluding pension liability		54,887,768	54,384,304
Pension liability		(160,000)	(173,000)
Net assets		54,727,768	54,211,304
Capital and reserves			
Other reserves		53,956,451	53,533,185
Profit and loss account carried forward		771,317	678,119
		54,727,768	54,211,304

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

21 Sep 2020


Mr D Field (Chair)
 Director

The notes on pages 18 to 37 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 2020

	2020 £	2019 £
Cash flows from operating activities		
Surplus for the financial year	428,464	11,913,510
Adjustments for:		
Depreciation of tangible assets	24,291	18,674
Loss on disposal of tangible assets	1,103	-
Interest received	(577,794)	(452,085)
Taxation charge	72,399	56,217
(Increase)/decrease in debtors	(448,303)	875,074
(Decrease)/increase in creditors	(25,120)	270,569
Increase in provisions	-	620,000
Increase in net pension assets/liabs	75,000	105,000
Corporation tax (paid)	(56,057)	(7,341)
Net cash generated from operating activities	<u>(506,017)</u>	<u>13,399,618</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(28,081)	(38,371)
New loans to associates	-	(6,549,870)
Associates loans repaid	2,312,683	3,681,004
Purchase of unlisted and other investments	(339,400)	(710,745)
Interest received	94,175	262,645
Income from investments	25,000	-
Net cash from investing activities	<u>2,064,377</u>	<u>(3,355,337)</u>
Net increase in cash and cash equivalents	<u>1,558,360</u>	<u>10,044,281</u>
Cash and cash equivalents at beginning of year	38,445,893	28,401,612
Cash and cash equivalents at the end of year	<u>40,004,253</u>	<u>38,445,893</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	40,004,253	38,445,893
	<u>40,004,253</u>	<u>38,445,893</u>

The notes on pages 18 to 37 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 2020

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, rounded to the nearest £1, which is the functional currency of the Group.

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 subsidiary ("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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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 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 Taxation

Tax is recognised in profit or loss 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.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

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.

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'.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.8 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 profit or loss.

2.9 Impairment of fixed assets

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.

2.10 Valuation of investments

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

2.11 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.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions and Suffolk County Council which are 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.

2.13 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 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.

2.15 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 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.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

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.

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.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

4. Income

Income arises from:

	2020 £	2019 £
Grants	29,221,624	38,208,053
Enterprise Zones	912,781	857,950
	<u>30,134,405</u>	<u>39,066,003</u>

The above income is wholly attributable to the principal activity of the group which is undertaken in the United Kingdom

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	24,291	18,674
Other operating lease rentals	77,102	77,638
Impairment of investments	-	620,000
	<u>101,393</u>	<u>713,312</u>

6. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	10,050	9,000
	<u>10,050</u>	<u>9,000</u>

Fees payable to the Group's auditor and its associates in respect of:

Taxation compliance services	950	950
All other services	3,000	4,470
	<u>3,950</u>	<u>5,420</u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

7. Employees

Staff costs were as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	2,435,361	1,957,258	2,403,612	1,921,812
Social security costs	247,639	202,285	247,639	202,285
Cost of defined benefit scheme	70,000	103,000	70,000	103,000
Cost of defined contribution scheme	133,331	139,235	133,331	139,235
	<u>2,886,331</u>	<u>2,401,778</u>	<u>2,854,582</u>	<u>2,366,332</u>

The directors do not receive any emoluments.

The total remuneration payable in respect of 7 (2019: 7) key management personnel amounted to £602,498 (2019: 574,778)

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

	2020 No.	2019 No.
Leadership Team	7	7
Project Delivery Team	48	38
Administrative Team	7	5
	<u>62</u>	<u>50</u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

8. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	72,731	56,217
Adjustments in respect of prior periods	(332)	-
	72,399	56,217
	72,399	56,217
Deferred tax		
Total deferred tax	-	-
	-	-
Taxation on profit on ordinary activities	72,399	56,217
	72,399	56,217

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Surplus on ordinary activities before tax	500,863	11,969,727
	500,863	11,969,727
Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	95,164	2,373,307
Effects of:		
Adjustments to tax charge in respect of prior periods	(332)	-
Non-taxable income	(22,433)	(2,317,090)
	(22,765)	(2,317,090)
Total tax charge for the year	72,399	56,217
	72,399	56,217

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

9. Tangible fixed assets

Group and Company

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2019	6,312	93,528	99,840
Additions	-	28,081	28,081
Disposals	-	(20,819)	(20,819)
At 31 March 2020	<u>6,312</u>	<u>100,790</u>	<u>107,102</u>
Depreciation			
At 1 April 2019	3,682	50,819	54,501
Charge for the year on owned assets	1,053	23,238	24,291
Disposals	-	(19,716)	(19,716)
At 31 March 2020	<u>4,735</u>	<u>54,341</u>	<u>59,076</u>
Net book value			
At 31 March 2020	<u><u>1,577</u></u>	<u><u>46,449</u></u>	<u><u>48,026</u></u>
At 31 March 2019	<u><u>2,630</u></u>	<u><u>42,709</u></u>	<u><u>45,339</u></u>

All of the Group's tangible fixed assets are held in the Parent company.

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NOTES TO THE FINANCIAL STATEMENTS
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10. Fixed asset investments

Group

	Loans £	Other investments £	Total £
Cost or valuation			
At 1 April 2019	12,501,092	2,126,833	14,627,925
Additions	-	339,400	339,400
Disposals	(2,212,683)	(100,000)	(2,312,683)
At 31 March 2020	<u>10,288,409</u>	<u>2,366,233</u>	<u>12,654,642</u>
Impairment			
At 1 April 2019	500,000	120,000	620,000
At 31 March 2020	<u>500,000</u>	<u>120,000</u>	<u>620,000</u>
Net book value			
At 31 March 2020	<u>9,788,409</u>	<u>2,246,233</u>	<u>12,034,642</u>
At 31 March 2019	<u>12,001,092</u>	<u>2,006,833</u>	<u>14,007,925</u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

10. Fixed asset investments (continued)

Company

	Loans £
Cost or valuation	
At 1 April 2019	12,501,092
Disposals	(2,212,683)
At 31 March 2020	10,288,409
Impairment	
At 1 April 2019	500,000
At 31 March 2020	500,000
Net book value	
At 31 March 2020	9,788,409
At 31 March 2019	12,001,092

11. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	650,179	217,439	650,179	217,439
Amounts owed by group undertakings	-	-	2,246,233	1,982,024
Other debtors	358,480	1,209,926	330,061	1,209,926
Prepayments and accrued income	2,493,646	1,168,017	2,493,646	1,168,018
	3,502,305	2,595,382	5,720,119	4,577,407

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

12. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	164,149	135,604	164,149	135,604
Corporation tax	72,731	56,389	72,731	56,389
Other taxation and social security	62,866	61,354	62,866	61,354
Other creditors	20,472	20,850	20,472	20,850
Accruals and deferred income	356,432	411,230	352,821	411,230
	<u>676,650</u>	<u>685,427</u>	<u>673,039</u>	<u>685,427</u>

13. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Financial assets				
Financial assets measured at amortised cost	<u>55,484,605</u>	<u>54,926,348</u>	<u>53,209,953</u>	<u>52,919,515</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>(272,844)</u>	<u>(249,160)</u>	<u>(269,234)</u>	<u>(249,160)</u>

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

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

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
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14. Reserves

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

	Balance brought forward £	Surplus / (deficit) in year £	Balance carried forward £
GROUP			
Profit and Loss Account	678,119	93,198	771,317
Growing Places Capital Infrastructure	22,580,894	196,430	22,777,324
Growth Deal	22,421,085	(3,985,925)	18,435,160
New Anglia Capital Fund	2,684,004	-	2,684,004
Growing Business Fund	330,809	2,321,308	2,652,117
Programmes Administration	1,816,940	588,441	2,405,381
Growing Places Other Capital Allocation	2,073,481	-	2,073,481
Enterprise Zone	980,293	489,009	1,469,302
Innovative Projects Fund	500,000	877,583	1,377,583
Projects Revenue Allocation	274,377	(38,714)	235,663
Capital Funds	24,808	-	24,808
Redundancy Reserve	12,309	-	12,309
Local Transport Body Reserves	31,993	(37,866)	(5,873)
Pension	(173,000)	13,000	(160,000)
	<u>54,236,112</u>	<u>516,464</u>	<u>54,752,576</u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

14. Reserves (continued)

	Balance brought forward £	Surplus / (deficit) in year £	Balance carried forward £
COMPANY			
Profit and Loss Account	678,119	93,198	771,317
Growing Places Capital Infrastructure	22,580,894	196,430	22,777,324
Growth Deal	22,421,085	(3,985,925)	18,435,160
New Anglia Capital Fund	2,684,004	-	2,684,004
Growing Business Fund	330,809	2,321,308	2,652,117
Programmes Administration	1,816,940	588,441	2,405,381
Growing Places Other Capital Allocation	2,073,481	-	2,073,481
Enterprise Zone	980,293	489,009	1,469,302
Innovative Projects Fund	500,000	877,583	1,377,583
Projects Revenue Allocation	274,377	(38,714)	235,663
Redundancy Reserve	12,309	-	12,309
Local Transport Body Reserves	31,993	(37,866)	(5,873)
Pension	(173,000)	13,000	(160,000)
	<u>54,211,304</u>	<u>516,464</u>	<u>54,727,768</u>

NEW ANGLIA LOCAL ENTERPRISE PARTNERSHIP LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
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14. 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 Infrastructure reserve and Other Capital Allocation reserve represent funding from HM Government for the purposes of providing financial support for Infrastructure projects and other projects demonstrating significant regional or local economic benefit.

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.

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.

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 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.

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

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.

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 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.

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).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

15. 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 £133,331 (2019: £116,631). Contributions totalling £nil (2019: £20,827) 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 2020 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:

	2020 £	2019 £
Reconciliation of present value of plan liabilities		
At the beginning of the year	173,000	-
Current service cost	55,000	47,000
Interest income	(23,000)	(23,000)
Interest cost	28,000	25,000
Actuarial gains/losses	(88,000)	68,000
Past service cost	15,000	56,000
At the end of the year	160,000	173,000

Composition of plan liabilities:

	2020 £	2019 £
Schemes wholly funded	160,000	173,000
Total plan liabilities	160,000	173,000

	2020 £	2019 £
Present value of plan liabilities	(160,000)	(173,000)
Net pension scheme liability	(160,000)	(173,000)

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15. Pension commitments (continued)

The amounts recognised in profit or loss are as follows:

	2020 £	2019 £
Current service cost	(55,000)	(47,000)
Past service cost	(8,000)	(56,000)
Opening difference on plan assets and liabilities	(7,000)	-
Total	<u>(70,000)</u>	<u>(103,000)</u>
Other Interest - on defined benefit liability	28,000	25,000
Interest Income on pension scheme assets	(23,000)	(23,000)
Net interest cost	<u>5,000</u>	<u>2,000</u>

Reconciliation of fair value of plan liabilities were as follows:

	2020 £	2019 £
Opening defined benefit obligation	1,084,000	904,000
Opening difference on plan liabilities	3,000	-
Current service cost	55,000	47,000
Contributions by scheme participants	14,000	12,000
Actuarial gains and (losses)	(146,000)	96,000
Past service costs	8,000	-
Interest cost	28,000	25,000
Closing defined benefit obligation	<u>1,046,000</u>	<u>1,084,000</u>

Reconciliation of fair value of plan assets were as follows:

	2020 £	2019 £
Opening fair value of scheme assets	911,000	848,000
Opening difference on plan assets	(4,000)	-
Interest income on plan assets	23,000	23,000
Return on plan assets	(58,000)	28,000
Contributions by employer	14,000	12,000
	<u>886,000</u>	<u>911,000</u>

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15. Pension commitments (continued)

The cumulative amount of actuarial gains and losses recognised in the Consolidated Statement of Comprehensive Income was £88,000 (2019 - £(72,000)).

The Group expects to contribute £NIL to its Defined Benefit Pension Scheme in 2021.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2020	2019
	%	%
Discount rate	2.3	2.5
Future salary increases	2.5	2.7
Future pension increases	1.8	2.4
Mortality rates		
- for a male aged 65 now	21.7	22.1
- at 65 for a male aged 45 now	22.8	24.1
- for a female aged 65 now	23.9	24.4
- at 65 for a female member aged 45 now	25.5	26.4

Major categories of plan assets as a percentage of total plan assets

	2020	2019
Equity	48%	50%
Bonds	36%	35%
Property	14%	12%
Cash	2%	3%

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16. Commitments under operating leases

At 31 March 2020 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Not later than 1 year	38,976	40,878	38,976	40,878
Later than 1 year and not later than 5 years	16,666	53,142	16,666	53,142
	<u>55,642</u>	<u>94,020</u>	<u>55,642</u>	<u>94,020</u>

17. 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.

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 £92,716 (2019: £91,757). At the year end the company owed AIP £nil (£148).

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 the joint Chief Executive Officer of East of England Co-Operative Society Limited. The total amount of costs incurred were £17,883 (2019: £17,305). At the year end the company owed Ardencrest Limited £nil (2019: £nil).

19. Post balance sheet events

The COVID-19 pandemic impacted at the very end of the financial year and did not impact on the 2019 – 2020 statement of accounts.

In April 2020 the Board agreed to support a new intervention, the Business Resilience and Recovery scheme with an initial budget of £3.5m to provide support to businesses in the New Anglia region in the form of advice, guidance and grant support for initial resilience and longer term recovery.

The impact on grant funding received from Government is continually assessed/reviewed by New Anglia LEP in relation to grants and loans available to businesses. COVID-19 is now a factor in the assessment and continuous dialogue with Government.

Since the balance sheet date, the company has received £31.6m from Central Government in respect of the LEP's agreed Growth Deal Programme for the financial year 2020/21.