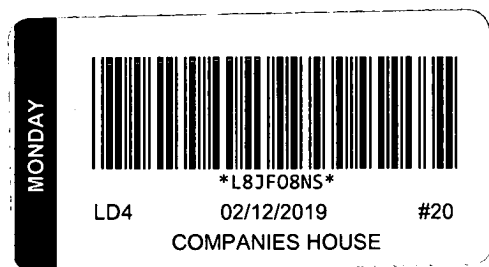


**Cornwall & Isles of Scilly Local Enterprise Partnership Limited**

**Annual Report and Financial Statements  
Year Ended 31 March 2019**

Registration number: 07471437



# Cornwall & Isles of Scilly Local Enterprise Partnership Limited

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## **Cornwall & Isles of Scilly Local Enterprise Partnership Limited**

### **Company Information**

**Chairman** M F Duddridge

**Directors** L K Edge  
M A Goodwin  
E J Keil  
P G Massey  
L F Rowe  
J K Acornley  
R W Egerton  
F M Grottick  
D A J Walrond  
S Gaklais  
F L Brennan  
G Seabright  
S C Jermy  
R M Camp  
L Taylor  
L A Mathers  
M C Parnell  
E M Hannaford

**Company secretary** Foot Anstey Secretarial Limited

**Registered office** High Water House  
Malpas Road  
Truro  
Cornwall  
TR1 1QH

**Auditors** Grant Thornton UK LLP  
Statutory Auditor  
St John's House  
Haslett Avenue West  
Crawley  
RH10 1HS

# Cornwall & Isles of Scilly Local Enterprise Partnership Limited

## Directors' Report

Year Ended 31 March 2019

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

### Directors of the company

The directors who held office during the year were as follows:

G R G Poole (resigned 17 June 2018)

L K Edge

M A Goodwin

M F Duddridge - Chairman

A N V Williams (resigned 1 December 2018)

E J Kell

P G Massey

S J Trethowan (resigned 21 October 2018)

R J H Tiplady (resigned 28 November 2018)

L F Rowe

J K Acomley

A R Paynter (resigned 1 July 2019)

R W Egerton

F M Grottick

P Seeva (resigned 20 March 2019)

D A J Walrond (appointed 16 May 2018)

S Caklais (appointed 16 May 2018)

F L Brennan (appointed 16 May 2018)

G Seabright (appointed 16 May 2018)

S C Jermy (appointed 16 May 2018)

R M Camp (appointed 26 September 2018)

L Taylor (appointed 20 March 2019)

L A Mathers (appointed 30 January 2019)

M C Parnell (appointed 30 January 2019)

The following director was appointed after the year end:

E M Hannaford (appointed 1 July 2019)

# Cornwall & Isles of Scilly Local Enterprise Partnership Limited

## Directors' Report

Year Ended 31 March 2019

### Business review

The role of the Local Enterprise Partnership is to drive economic growth and the creation of quality jobs in Cornwall and the Isles of Scilly. We aim to facilitate sustained growth through long term, joined up investment in our People, our Places and through our Businesses.

2018/19 has been an important year in determining the future economic development landscape, with our revised capacity arrangements, engaging with Government on future economic development policy, through the Industrial Strategy and continued detailed negotiations on the post-Brexit environment. It has also been a year of delivery, change and improvement. We have built on firm foundations and taken a fresh look at governance, performance and strategy. We have, through embedded Nolan principles, strengthened the Board and have strong private sector leadership which reflects the Cornwall and Isles of Scilly economy and our strategic priorities. These private sector priorities have been articulated through our refreshed '10 Opportunities' prospectus which will inform our Local Industrial Strategy and translated in to delivery through our Local Growth Fund (Growth Deal) projects. Following the Local Enterprise Partnership Review, a series of Director workshops were held to develop a revised commissioning approach to build on the Local Enterprise Partnership Review statement that Local Enterprise Partnerships "must have the means to prioritise policies and actions, and to commission providers in the public, private sector and voluntary and community sector to deliver programmes." Outputs from this work were part of revised commissioning arrangements for implementation in 2019/2020.

In support of our lead role in driving the economic growth of our region, we have secured substantial capital grant investment programmes over the period 2012/13 – 2019/20 which we are responsible for delivering through our Accountable Body arrangements with Cornwall Council. These investment funds are aligned to our Strategic Economic Plan: Vision 2030 outcomes and leverage significant other public and private investment across the programme. These funds include, Regional Growth Fund, Growing Places Fund, Local Growth Fund and Enterprise Zone (Business Rates) Growth Fund. In total these amounted to in year expenditure of £6.67m to support priority projects.

Of the £78m total Local Growth Fund allocation to Cornwall and Isles of Scilly, £6.45m was paid out to projects in 18/19. Two investments, totalling £1.00m, to the Isles of Scilly Council were confirmed in August 2018, the GO- EV (Electric Vehicles) and the Business Energy Management Systems and Renewable Energy Solutions which form part of the Smart Islands programme. A £1.50m grant to the One Public Transport System for Cornwall was approved in February 2019 which will make improvements to the Truro – St Austell – Bodmin bus corridor providing an improved transport link to areas of employment, education and the Royal Cornwall Hospital.

# Cornwall & Isles of Scilly Local Enterprise Partnership Limited

## Directors' Report

### Year Ended 31 March 2019

The Cornwall and Isles of Scilly Local Enterprise Partnership's key achievements to 31 March 2019 include:

- £40m Cornwall and Isles of Scilly Investment Fund - launched in June 2018, first equity and debt deals by British Business Bank led fund confirmed in January 2019 with strong pipeline of investments.
- Ensuring continued investment into the Cornwall and Isles of Scilly Growth Hub which has supported over 2,000 businesses since launch in 2016.
- Multiple Growth Deal investments - £78m investment, 10,000 jobs, 5,000 houses unlocked.
- The launch of a Human Centred Space Action Plan (2018-30).
- Cornwall and Isles of Scilly pitch to increase investment in and opportunity from Offshore Renewable Energy.
- Support and encouraging increased investment in Scale Up businesses.
- Successful bid and ongoing implementation of the Beacon Project providing business support and engagement on recruitment and retention of people with disabilities and long term health conditions.
- Successful bid for the Digital Skills Partnership pilot scheme (one of only six LEPs) which aims to increase digital capability, address digital exclusion and ensure that businesses can recruit or upskill staff.
- Completed external review of governance arrangements.
- Implementation of private sector risk management approach.

#### Going concern

The Directors have considered and approved an operating budget for the period 2019/20. This identifies approved core funding and grant income from central government; agreed management fees associated with the delivery of our programmes and operational funds held to meet the forecast operating costs of the company over this period. The Audit and Assurance Committee will continue to have oversight of forecasting and will monitor expenditure, performance and risk over the financial period to ensure we continue to meet our obligations. The Directors are therefore confident that sufficient funds are available to enable operations to continue at a sustainable level for a period of at least 12 months from the approval of the accounts. We can therefore fully demonstrate going concern status.

#### Disclosure of information to the auditors

Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 27/11/19 and signed on its behalf by:

  
M F Duddridge  
Chairman

## **Cornwall & Isles of Scilly Local Enterprise Partnership Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# Cornwall & Isles of Scilly Local Enterprise Partnership Limited

## Independent Auditor's Report to the Members of Cornwall & Isles of Scilly Local Enterprise Partnership Limited

### Opinion

We have audited the financial statements of Cornwall & Isles of Scilly Local Enterprise Partnership Limited (the company) for the year ended 31 March 2019, which comprise the Profit and Loss Account, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its result 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard; and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **Cornwall & Isles of Scilly Local Enterprise Partnership Limited**

### **Independent Auditor's Report to the Members of Cornwall & Isles of Scilly Local Enterprise Partnership Limited**

#### **Opinions on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

#### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

#### **Matters on which we are required to report by exception**

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

#### **Responsibilities of directors for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 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 company or to cease operations, or have no realistic alternative but to do so.

## **Cornwall & Isles of Scilly Local Enterprise Partnership Limited**

### **Independent Auditor's Report to the Members of Cornwall & Isles of Scilly Local Enterprise Partnership Limited**

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

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

*Grant Thornton UK LLP*

Christian Heeger BSc FCA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants

Gatwick

Date: 29 November 2019

## Cornwall & Isles of Scilly Local Enterprise Partnership Limited

### Profit and Loss Account

Year Ended 31 March 2019

	2019 £	2018 £
Turnover	1,596,654	1,581,519
Grant expenditure	<u>(1,596,654)</u>	<u>(1,581,519)</u>
Operating profit/(loss)	<u>                    </u>	<u>                    </u>
Profit/(loss) before tax	<u>                    </u>	<u>                    </u>
Profit/(loss) for the financial year	<u>                    </u>	<u>                    </u>

# Cornwall & Isles of Scilly Local Enterprise Partnership Limited

## Balance Sheet

31 March 2019

	Note	2019 £	2018 £
<b>Current assets</b>			
Debtors	3	1,529,528	1,627,902
Creditors: Amounts falling due within one year	4	<u>(1,529,528)</u>	<u>(1,627,902)</u>
<b>Net assets/(liabilities)</b>		<u>-</u>	<u>-</u>
<b>Capital and reserves</b>			
Total equity		<u>-</u>	<u>-</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 27/11/19 and signed on its behalf by:



M.F Duddridge  
Chairman

Company Registration Number: 07471437

# **Cornwall & Isles of Scilly Local Enterprise Partnership Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2019**

### **1 General information**

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

High Water House

Malpas Road

Truro

Cornwall

TR1 1QH

### **2 Accounting policies**

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention.

#### **Judgements**

For all capital and revenue grant programmes, Cornwall and Isles of Scilly LEP (the LEP) is acting as agent for Government, working with Cornwall Council, the Accountable Body, who are responsible for ensuring the handling, compliance and performance monitoring; and ultimately, should it prove necessary, the retrieval of funds based on non-performance. It is a key judgement therefore of the Cornwall and Isles of Scilly LEP Board that as the LEP is acting as an agent only in respect of these grant funds, they are not reflected on the balance sheet but are disclosed in the notes to the LEP's annual report and financial statements.

# **Cornwall & Isles of Scilly Local Enterprise Partnership Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2019**

### **Income, expenditure and grant funding**

Income receivable includes grant income, which is credited to the income and expenditure account according to the period to which it relates, with any deferred element being shown in creditors as deferred income.

Government grants are recognised based on the accrual model. Grant income receivable from government departments and related bodies for the furtherance of the company's objectives and principal activities is credited to the profit and loss account so as to match the relevant expenditure incurred during the period.

The company acts as agent and receives and pays out grants to claimants on receipt of grant claims. The accountable body for this process is Cornwall Council. These grants are excluded from the income and expenditure account and balance sheet and are disclosed separately in a note to the accounts. Grant income receivable by the company for the administration of the grants is credited to the income and expenditure account so as to match the expenditure incurred.

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

Due to the nature of the company's activities, the directors consider that it would be inappropriate to present the income and expenditure account 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 in the detail required by the members of the company.

### **Financial instruments**

#### **Classification**

The company holds the following financial instruments:

- Short term other debtors; and
- Deferred income.

All financial instruments are classified as basic.

#### **Recognition and measurement**

The company has chosen to apply the recognition and measurement principles in FRS102.

Grant funding received but not utilised in the year is included within deferred income. The funds are held by Cornwall Council as accountable body on behalf of the company and therefore included in other debtors.

# Cornwall & Isles of Scilly Local Enterprise Partnership Limited

## Notes to the Financial Statements

Year Ended 31 March 2019

### 3 Debtors

	2019	2018
	£	£
Other debtors	1,529,528	1,588,422
Accrued income	-	39,480
	<u>1,529,528</u>	<u>1,627,902</u>

### 4 Creditors

Creditors: amounts falling due within one year

	2019	2018
	£	£
Due within one year		
Trade creditors	420	-
Accrued expenses	113,138	112,942
Deferred income	<u>1,415,970</u>	<u>1,514,960</u>
	<u>1,529,528</u>	<u>1,627,902</u>

### 5 Related party transactions

#### Summary of transactions with other related parties

Cornwall Council, as accountable body, receives funding from Central Government and other sources on behalf of the company. The company has delegated its financial and administrative functions to Cornwall Council and its subsidiaries.

During the year grant funding and payments made by the company to Cornwall Council and its subsidiaries for services provided and projects delivered was £1,118,566 (2018: £1,074,920).

During the year Cornwall Council provided grant funding to the company of £150,000 (2018: £150,000). At the end of the year £NIL (2018: £NIL) is included in deferred income.

At the year end, Cornwall Council held revenue funds on behalf of the company of £1,529,528 (2018: £1,627,902) which is included in debtors.

During the year a honorarium of £20,000 (2018: £20,000) was paid to the chairman.

## Cornwall & Isles of Scilly Local Enterprise Partnership Limited

### Notes to the Financial Statements

Year Ended 31 March 2019

#### 6 Capital grants

	Regional Growth Fund Summary 2018-19	Regional Growth Fund Summary 2017-18	Growth Deal Fund Summary 2018-19	Growth Deal Fund Summary 2017-18
Opening balance	98,379	199,060	2,510,451	7,375,375
In year transactions:				
Grant received	-	-	6,434,534	16,731,067
Repayment of grant	-	7,297	-	-
Grants paid	(98,379)	(110,000)	(6,447,923)	(21,806,241)
Interest received	-	2,022	23,672	210,250
Balance at 31 March	-	98,379	2,520,734	2,510,451

Of the Regional Growth Fund balance, £nil (2018: £nil) is under the control of the LEP and is included within deferred income.

Of the Growth Deal Fund balance, £519,968 (2018: £509,670) is under the control LEP and is included within deferred income.

#### 7 Capital loan fund

	Growing Places Funds Summary 2018-19	Growing Places Funds Summary 2017-18
Opening balance	4,636,060	2,987,950
In year transactions:		
Principal repayments	-	1,750,000
Interest received	47,708	119,540
Interest utilised	(497,129)	(221,430)
Balance at 31 March	4,186,639	4,636,060

Of the Growing Places Fund balance, £154,717 (2018 £604,138) is under the control of the LEP and is included within deferred income.



# Cornwall & Isles of Scilly Local Enterprise Partnership Limited

## Notes to the Financial Statements

Year Ended 31 March 2019

### 8. Business Rates Growth Fund (Enterprise Zone, Newquay Airport)

	Business Rates Growth Fund 2018-19	Business Rates Growth Fund 2017-18
Opening balance	905,852	581,230
In year transactions:		
Grants paid	(119,557)	(10,000)
Business Growth	370,250	334,622
Balance at 31 March	<u>1,156,545</u>	<u>905,852</u>

Of the Business Rates Growth Fund balance, £nil (2018: £nil) is under the control of the LEP and is recognised in deferred income.

### 9 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.