

# Annual Accounts

## 2017/18

Lancashire County Council acts as Accountable Body for the LEP and provides financial and legal support required to deliver the LEP's key growth programmes including the £320m Growth Deal, £20m Growing Places Investment Fund, £434m Preston, South Ribble and Lancashire City Deal and the Samlesbury Aerospace and Warton Aviation Enterprise Zones.

The LEP receives grant funding from Government to support it in delivering its day to day activities. This funding comes in the form of Core Funding and Strategic Funding, with the Government's Core Funding directly matched by Lancashire County Council. The LEP also generates interest from commercial investments made through the Growing Places Investment Fund, which now fully supports the LEP's Executive Team.

The LEP sets an annual Operational Budget which is based on the in-year grant funding received from Government and the direct match received from Lancashire County Council. The Operational Budget also includes interest generated from the Growing Places Investment Fund which specifically funds the LEP's staffing expenditure.

Expenditure included within the Operational Budget includes independent appraisal of Growth Deal Business Cases, strategic marketing and communications activity to support the LEP's place-making agenda, raise the profile of Lancashire's economic strengths and opportunities in the Northern Powerhouse, UK and internationally and promote Growth Deal investments.

The Operational Budget also identifies expenditure and activity on evidence base, policy development and case making to enable the delivery of a refreshed Strategic Economic Plan and Local Industrial Strategy.

The LEP's Performance Committee, chaired by a private sector Director and which has membership from both the private and public sector, is responsible for the regular monitoring of the LEP's annual Operational Budget. The Committee also provides

oversight of performance made in delivering the LEP's key growth programmes and has prepared a Risk Register and Risk Map which it oversees working with the Chairs of the LEP's Sub-Committees.

The Performance Committee also reviews the LEP's financial position over the short to medium term, considering opportunities for income generation. It is focussed on setting a financial strategy which maximises the LEP's balance sheet position to ensure the LEP discharges its responsibilities in line with its Assurance Framework as well as managing risk around potential reduced funding resources and changes in national policy which may affect Local Enterprise Partnerships in future years.

The Performance Committee received the Profit and Loss Account for 2017/18 at its meeting on 22 May 2018.

The LEP's opening balance sheet for 2017/18 was £2,377,226 with expenditure incurred in the year of £753,700. Spend has been deployed on core staffing, marketing and communications activity, independent business case appraisal of Growth Deal schemes and the evidence base to underpin the refresh of the Strategic Economic Plan and the development of a Local Industrial Strategy, which has included the publication of Lancashire's Innovation Plan.

## Opening Balance Sheet 2017/18

Opening Balance Sheet 2017/18	Total
<b>Funding brought forward</b>	2,377,226
Balance of P&L	15,579
Total funding available	2,392,805