



# **GREATER LINCOLNSHIRE LOCAL ENTERPRISE PARTNERSHIP LIMITED**

(A COMPANY LIMITED BY GUARANTEE)

Registered number: 09223395

ANNUAL FINANCIAL SUMMARY  
FOR THE YEAR ENDED 31 MARCH 2023

COMPANY INFORMATION

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DIRECTORS (at year end)

Pat Doody (Chair)  
Colin Davie  
Rob Waltham  
Debbie Barnes  
Dean Fathers  
Craig Leyland  
Sarah Louise Fairburn  
Nick Worboys  
Alison Ballard  
Phillip Jackson  
Darren Cunningham  
Julian Free  
Andrew Hunter  
Mandy Watson  
Andrew (Chas) Dickens  
Simon Bird  
Nikki Cooke  
Claire Foster  
Shaun Povey  
Liam Scully  
Cllr Lucy Stephenson  
Mark Webb

COMPANY SECRETARY	Wilkin Chapman LLP The Maltings, 11-15 Brayford Wharf E, Lincoln LN5 7AY
ACCOUNTABLE BODY	Lincolnshire County Council County Offices, Newland, Lincoln, LN1 1YL
REGISTERED NUMBER	09223395
REGISTERED OFFICE	Greater Lincolnshire LEP County Offices, Newland, Lincoln, LN1 1YL
Auditors	Duncan & Toplis 4 Henley Way Doddington Road Lincoln LN6 3QR

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## Introduction

This financial report is intended to provide an overview from the Accountable Body of the audited Greater Lincolnshire transactions for the 2022/23 financial year.

The LEP continue to operate a number of reserves allowing them to respond to operational pressures and deliver against their agreed business plan priorities.

We continue to support the LEP in the areas of governance and delivery by providing advice and guidance on a variety of policies and procedures and ensuring the correct systems and procedures are followed in transactional operations.

This has been a strong delivery year for the LEP Board who agreed a set of strategic themes to expand on the delivery from previous years. These included:

- Our four game-changing sectors: UK Food Valley, Freeport, Defence and Clean Growth;
- Enabling sectors including Manufacturing, Visitor Economy and Health & Care;
- Delivery of capital programmes;
- Governance and Collaboration;
- Reach and influence; and
- Employment and skills.

There have been many achievements within the year and highlights include:

- ❖ Developed a business plan and model for the UK Food Valley and commissioned and commenced development of a UK Food Valley Local Area Energy Plan;
- ❖ Contributed to the Business Plan submission for the creation of the Humber Freeport and established and chaired a Freeport Innovation Liaison Group on its behalf;
- ❖ Launched an Agricultural Growth Zone at Riseholme in collaboration with LIAT, Bishop Burton's Showground Campus, the Lincolnshire Agricultural Society, Barclays Eagle Lab, Lincolnshire County Council, West Lindsey District Council, and Bishop Burton College Riseholme Campus;
- ❖ Further expanded our Career Hub to cover every school in Greater Lincolnshire, with two additional Enterprise Coordinators and an Enterprise Advisor network of over 100 volunteers;
- ❖ Worked with the Department for Education, local businesses and providers to design a programme of Skills Bootcamps to provide residents with the technical skills needed across Greater Lincolnshire;
- ❖ Concluded the delivery phase of the Single Local Growth Fund and Getting Building Fund capital programmes;
- ❖ Directly supported over 300 SMEs via our Growth Hub;

- ❖ Created inward investment portfolios for Seafood Processing and Aquaculture, the cold Chain and Logistics Investment, and Fresh Produce and Controlled Environment farming;

Full details of the important work that the LEP has achieved within 22/23 can be found in the LEP Annual Report 2022-23 which will also incorporate a Financial Reporting section aligned to this report.

## INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2023

### FINANCIAL SUMMARY 2022/23

<i>INCOME</i>	<i>Note</i>	<i>22/23</i>		<i>21/22</i>	
Core Funding	1,2	£	375,479	£	535,500
Other Core contributions	1,2	£	584,050	£	323,503
Invest and Grow	3	£	168,700	£	775,933
Business Investment Fund	4	£	5,123	£	-
Programmes	5	£	-	£	12,900,000
Growth Hub	6	£	286,625	£	573,250
Interest Received	7	£	207,266	£	48,862
<b>Total Income</b>		<b>£</b>	<b>1,627,243</b>	<b>£</b>	<b>15,157,048</b>

<i>EXPENDITURE</i>	<i>Note</i>	<i>22/23</i>		<i>21/22</i>	
Core Funding	1,2	£	941,036	£	443,826
Other Core contributions	1,2	£	809,203	£	531,984
Invest and Grow	3	£	-	£	-
Business Investment Fund	4	£	14,148	£	92,127
Programmes	5	£	1,432,927	£	13,083,097
Growth Hub	6	£	286,625	£	573,250
<b>Total Expenditure</b>		<b>£</b>	<b>3,483,938</b>	<b>£</b>	<b>14,724,284</b>

## BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2023

The closing year cash balances (Note 8) as per the agreed policy are:

	<i>Note</i>	<i>22/23</i>		<i>21/22</i>	
Core Reserve	1,2	£	1,608,912	£	887,599
Other cash balances	1,2	£	458,109	£	1,341,816
Invest to Grow Fund	3	£	1,819,512	£	5,045,014
Business Investment Fund	4	£	152,436	£	525,220
Programmes	5	£	1,237,981	£	-
Company Provision	-	£	507,600	£	-
Interest Received	7	£	207,266	£	48,863
<b>Total</b>		<b>£</b>	<b>5,991,816</b>	<b>£</b>	<b>7,848,512</b>

Long term loan investments	£	3,500,000	£	3,500,000
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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- Net spend on the account is £

	£
Core Cost net spend	(565,557)
Other Core contributions	(225,153)
Invest To Grow payback	168,700
Business Investment Fund drawdown	(9,025)
Programmes	(1,432,927)
Gross Interest	207,266
<b>Net spend</b>	<b>(1,856,696)</b>

The following notes provide more detail on the values shown on page 1.

**Note 1: Core Funding**

Within year £959,529 of Income and £1,750,239 Expenditure as detailed below:-

AREA - DESCRIPTION	INCOME (£)	ACTUAL SPEND (£)
Core	375,479	580,000
Skills Employment Manager	0	10,655
VAT Contingency	0	361,037
Skills Advisory Panel	0	68,696
EM Ambassador Network Grant	50,000	53,221
CGAF/LMAF Management Fee	0	100,323
Covid Recovery	0	9,000
Career Kickstart/Sustainability	78,770	43,084
Career Hub	398,040	404,288
Food Valley	50,000	0
Defence	5,800	0
Future Proofing Coastal Tourism	1,440	119,935
<b>TOTAL</b>	<b>959,529</b>	<b>1,750,239</b>

**Note 2: Match funding**

There is a requirement for the LEP to match fund £250,000 of the core budget with a further £250,000 of match funding. Analysis has shown that a minimum match funding of £556,024 has been achieved from Lincolnshire County Council (LCC) supporting the delivery of the LEP core function.

These costs are made up of:-

• LCC officer support (Non Accountable Body)	£ 403,271
• Research and skills	£ 34,896
• Growth Hub	£ 854
• Career Hub	£ 117,003

### **Note 3: Invest and Grow**

The balance as at 1<sup>st</sup> April 2022 was £5,057,962 (with applied interest).

The LEP Board had agreed to use part of the fund for 2 programmes that launched in 22/23 and a core reserve transfer. Following assessment on projects the following was utilised:

- £200K moved to Core for Programme Management fee
- £500K moved to core reserve to increase core operational budget
- £3,500,000 - Clean Growth Accelerator and Labour Market provision

This left uncommitted funds of £857,962 as at July 22

Further decisions were made at board including:

- Decrease of £400K for additional operational core
- Increase of £358,636 of Business investment underspend
- Increase of £173,823 of loan interest
- Increase of £892,092 of unutilised programme fund

This leaves £1,819,513 of flexible funds within the reserve.

No loan repayments have been made and the Loan to Chestnut Homes (Land) Ltd is currently in default. Officers are currently in negotiation with the organisation and assessing the re-structuring of the debt

Long term investment Loans as at 31<sup>st</sup> March 2022 amounted to £3,500,000 as follows:

- £3,500,000 - Chestnut Homes - Boston Quadrant

### **Note 4: Business Investment Fund**

The Business Investment Fund is closed and there remains a small amount of money to be released to the last project Genfrost. £14,148 was released in 22/23 and £26,194 will move to 23/24 when the final invoice is received.

The payment to SBS Ltd is in reclaim default to the sum of £126,242 due to non-completion of contract. The money has been accrued again in this financial year.



At the start of the year the fund was £525,220. Programme underspend of £358,636 has moved to the Investment fund leaving £152K on the Business Investment fund Balance.

#### Note 5: Programmes

##### Single Local Growth Fund /Getting Building Fund

PROJECT NAME	Spend	
Agri Food Centre of Excellence	£	788,024
Access to Employment Zones	-£	44,993
Total SLGF	£	743,031
South Lincolnshire FEZ Phase 2	£	2,238,029
Skills Capital Investment Programme	£	2,008,880
Killingholme Marshes Drainage Scheme	£	2,340,773
Lincoln Science and Innovation Park PH 2	£	1,477,939
Greater Lincolnshire Cycle Programme	£	754,936
Total GBF	£	8,820,557
World Wide Fruit*	£	1,160,878
Modal	£	30,848
Lincoln College - Drive to work	£	132,753
Boston College - Professional Drivers	£	98,520
UOL - Grimsby Fish Van - Research	£	9,928
Total Clean Growth and Labour Market	£	1,432,927
Total programmes	£	10,996,515

Within the year £10,996,515 has been paid out on project grant (NB the Clean Growth and Labour Market are accruals). £9,563,588 of the expenditure is covered by remaining Freedom and flexibility.

\*The accrual amount for World Wide Fruit is incorrect - Total spend costs were used instead of grant. The figures will be reconciled in 23/24.

## Note 6: Growth Hub

The Greater Lincolnshire LEP secured £286,625 of revenue funding from BEIS to continue the operation of the Growth Hub (GH) service during 2022-2023. The main focus for the Business Lincolnshire Growth Hub in 22/23 has been the continued support of a wide range of businesses within greater Lincolnshire.

The Business Lincolnshire Growth Hub has provided:

- East Midlands Cluster lead provision
- a service that meets the identified needs of businesses
- align business support offers
- Developing greater intelligence to deliver an added value offer
- Develop and implement a segmented service offer

A detailed report on Growth Hub activity will be submitted to government in June 2023 as part of agreed reporting timeframes and more information on individual programme activity can be found on [www.businesslincolnshire.com](http://www.businesslincolnshire.com)

## Note 7: Interest

All interest has been applied as per the cash balance and interest policy.

Any deposits held within the Council's cash balance, that it holds on a daily basis, on behalf of another body or party is allocated interest at a daily average yield rate, compounded quarterly over the year.

Cash Balance 1	Core Operations	£55,719
Cash Balance 2	Investment	£108,930
Cash Balance 3	Programmes	£33,099
Cash Balance 4	Company Provision	£9,517

**Note 8: Cash Balances**

As recommended by the Finance and Audit Committee and agreed by LEP board the Accountable Body will hold three distinct cash balances on account. The table below shows the closing cash balances for the year 22/23 (this includes the interest from above)

<b>Cash Balance 1</b>	<b>Core Operations</b>	<b>2,122,740</b>
<b>Cash Balance 2</b>	<b>Investment</b>	<b>2,080,878</b>
<b>Cash Balance 3</b>	<b>Programmes</b>	<b>1,271,080</b>
<b>Cash Balance 4</b>	<b>Company Provision</b>	<b>517,117</b>

The total cash balance as at 31<sup>st</sup> March 2023 held on behalf of the LEP by the Accountable body is £5,991,816.

**END**