

Charity Registration No. 308213

Company Registration No. 01105525 (England and Wales)

CRESSET (PETERBOROUGH) LIMITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

COPY FOR SUBMISSION TO THE
REGISTRAR OF COMPANIES

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CRESSET (PETERBOROUGH) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs Sandie Burns
Mr Matthew Clements
Mr Dragomir Crnomarkovic
Mr Ian Dow
Councillor Wayne Fitzgerald
Mr Hendrik Kamminga

Secretary

Greenwoods Solicitors LLP

Charity number

308213

Company number

01105525

Principal address

The Cresset
Rightwell
Bretton
Peterborough
PE3 8DX

Registered office

The Cresset
Rightwell
Bretton
Peterborough
PE3 8DX

Auditors

Rawlinsons
Ruthlyn House
90 Lincoln Road
Peterborough
PE1 2SP

CRESSET (PETERBOROUGH) LIMITED

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CRESSET (PETERBOROUGH) LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2010

The trustees present their report and accounts for the year ended 31 March 2010

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's articles and memorandum of association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005

Structure, governance and management

The Creset (Peterborough) Limited is a company limited by guarantee and a registered charity governed by its articles and memorandum of association

The trustees, who are also the directors for the purpose of company law, and who served during the year were

Mrs Sandie Burns

Mr Peter Clarkson (Resigned 2 July 2009)

Mr Matthew Clements

Mr Dragomir Crnomarkovic (Appointed 2 July 2009)

Mr Ian Dow

Councillor Wayne Fitzgerald

Mrs Marion Hammett (Resigned 2 June 2009)

Mr Hendrik Kamminga

Mr Maheebub Ladha (Resigned 2 July 2009)

Councillor Charles Swift OBE (Resigned 2 July 2009)

Following the signing of a Collaboration Agreement with the YMCA Cambridgeshire and Peterborough in May 2009, the Creset (Peterborough) Limited remains as an independent body, but has formed a mutual alliance to improve its financial and governance situation

New trustees are recruited either by personal recommendation of a fellow trustee or by advertising in the local and national press. Once appointed, the Chief Executive meets with the trustee for basic induction into the running of the Charity

None of the trustees has any beneficial interest in the company. Prior to the collaboration agreement, all of the trustees were members of the company and guaranteed to contribute £1 in the event of a winding up. Now, YMCA Cambridgeshire and Peterborough is the sole member

The board of trustees (Council of Management) meets a minimum of four times a year to review and monitor the work and management of the charity. This body also approves annual budgets and scrutinises policy decisions

The Board work to oversee and monitor the performance of the Chief Executive Officer who is charged by the Council of Management with managing day-to-day operations, external affairs, policy development, the management of commercial properties and a range of governance issues on their behalf. Greenwoods LLP acts as company secretary, completing statutory returns on behalf of the Council of Management

The YMCA Cambridgeshire and Peterborough, Shared Churches (Peterborough) Ltd and Peterborough City Council have premises within the Creset

A summary of transactions with related parties is included in the financial statements

The trustees have assessed the major risks to which the charitable company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks

CRESSET (PETERBOROUGH) LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

Objectives and activities

The charitable company's objects are to advance education and to provide, or assist in the provision of, facilities in the interests of social welfare, for recreation and leisure time occupation, in order to improve the conditions of life for the inhabitants of Bretton Township in particular and the neighbourhood of Greater Peterborough in general, with particular emphasis on provision for young people, the elderly and disabled. The Company shall pursue these objectives without distinction of age, gender, political, religious or other opinion.

The Charity and its trading subsidiary continued to successfully manage and deliver a wide range of services in pursuit of its aims and objectives.

- 1) The operation of a public building which is open to the public twelve hours a day, seven days a week throughout the year, and for longer periods for communal and business functions and theatre events
- 2) Cresset Leisure Services Limited operated the following commercial services for the charity
 - The Fayre Spot Public House
 - The Cresset Theatre
 - Reception area and box office
 - Function rooms, which are used for community, social and business events
 - North Walk Café
 - Market
- 3) Arts Development programme including
 - Dance on Board - Community Dance Festival
 - Easter School
 - Summer School
 - Primary and Secondary School Dance Festival
 - Dance Class programme in our Big Lottery Funded Dance Studio
 - Stage Dance Festival

Achievements and performance

The Charity continued to support community activities, centred around drama and dance for all age groups, but with particular emphasis on young people.

As part of this, the Charity sponsored a number of festivals in collaboration with local schools and other community groups.

Good relationships were maintained with our shop and business lessees which adds to the retail diversity of Bretton and Peterborough.

Within the Cresset facilities we continue to offer a range of community activities, some through partners. This ranges from nursery provision, to facilities for older people and children.

The trustees confirm that they have taken account of the Charity Commission guidance on public benefit in determining their activities.

CRESSET (PETERBOROUGH) LIMITED

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

Financial review

The Council of Management has focused on cost savings and working towards economies to improve the financial situation of the Charity. It has also worked with the Directors of Cresset Leisure Services Limited to review the overall performance of the organisation. The YMCA Cambridgeshire and Peterborough has supported the Cresset operation by providing management input. This has included the CEO & Finance Director, plus other support staff of the YMCA making a direct contribution to the governance and operational decision making on a day to day basis.

The impact of the recession has continued to affect the Charity's funding and income. Some commercial units remain unlet which have previously been a major proportion of our income.

The agreement with the YMCA was partly to reduce costs by sharing management facilities, but more importantly to promote a long term development that will deliver a new, more cost effective facility that would secure the long term security of this charity. Discussions have been ongoing throughout the year to secure a long term future for the Charity with Peterborough City Council.

The condition of the main asset is causing some concern, especially the current state of repair of the roof which will need major work within 2-3 years.

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

A resolution proposing that Rawlinsons be reappointed as auditors of the company will be put to the members.

On behalf of the board of trustees



Mr Ian Dow

Trustee

Dated 5 October 2010

CRESSET (PETERBOROUGH) LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of Cresset (Peterborough) Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year

In preparing these accounts, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

CRESSET (PETERBOROUGH) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CRESSET (PETERBOROUGH) LIMITED

We have audited the accounts of Cresset (Peterborough) Limited for the year ended 31 March 2010 set out on pages 7 to 19. These accounts have been prepared in accordance with the accounting policies set out on page 10.

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the statement of trustees' responsibilities, the trustees, who are also the directors of Cresset (Peterborough) Limited for the purposes of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the accounts give a true and fair view.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with those accounts.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's accounts are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited because there are a number of uncertainties regarding the future viability of the charitable company. Steps are being taken to assess the options available, but at the time of this report, there is not sufficient evidence available to confirm the appropriateness of the going concern basis of the preparation of the financial statements for a period of at least twelve months from the date of approval of the financial statements. Had there been more certainty over the future direction of the charitable company we might have formed a different opinion.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

CRESSET (PETERBOROUGH) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF CRESSET (PETERBOROUGH) LIMITED

Qualified opinion arising from limitation in audit scope

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the appropriateness of the going concern basis of preparation of the financial statements, in our opinion

- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- the accounts have been prepared in accordance with the Companies Act 2006
- the accounts give a true and fair view of the state of the charitable company's affairs as at 31 March 2010, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,

In our opinion the information given in the Trustees' Report is consistent with the accounts

Mark Jackson FCA, (Senior Statutory Auditor)
for and on behalf of Rawlinsons

Chartered Accountants
Statutory Auditor
Ruthlyn House
90 Lincoln Road
Peterborough
PE1 2SP

Dated 20 10 2010

CRESSET (PETERBOROUGH) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2010

	Notes	Unrestricted funds £	Endowment funds £	Total 2010 £	Total 2009 £
Incoming resources from generated funds					
Donations and legacies	2	91,505	-	91,505	104,046
Investment income	3	43,129	-	43,129	57,342
		134,634	-	134,634	161,388
Incoming resources from charitable activities	4	362,842	-	362,842	353,740
Other incoming resources	5	157,515	-	157,515	-
Total incoming resources		654,991	-	654,991	515,128
Resources expended					
	6				
Charitable activities					
Provision of premises for charitable organisations		876,484	-	876,484	913,956
Support of community activities		25,699	-	25,699	56,918
Total charitable expenditure		902,183	-	902,183	970,874
Governance costs		6,300	-	6,300	6,000
Total resources expended		908,483	-	908,483	976,874
Net outgoing resources		(253,492)	-	(253,492)	(461,746)
Other recognised gains and losses					
(Losses)/gains on investment assets		(220,000)	-	(220,000)	(67,070)
Net movement in funds		(473,492)	-	(473,492)	(528,816)
Fund balances at 1 April 2009		1,288,886	2,649,000	3,937,886	4,466,702
Fund balances at 31 March 2010		815,394	2,649,000	3,464,394	3,937,886

CRESSET (PETERBOROUGH) LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2010

	2010	2009
	£	£
Gross income	654,991	515,128
Loss on disposal of investment assets held by income funds	-	(67,070)
Total income	654,991	448,058
Total expenditure from income funds	908,483	976,874
Net expenditure for the year	(253,492)	(528,816)

The summary income and expenditure account is derived from the statement of financial activities on page 7 which, together with the notes on pages 10 to 19, provides full information on the movements during the year on all funds of the charity

STATEMENT OF RECOGNISED GAINS AND LOSSES

Net expenditure for the year	(253,492)	(528,816)
Unrealised gains on investment assets held by income funds	(220,000)	-
	(473,492)	(528,816)

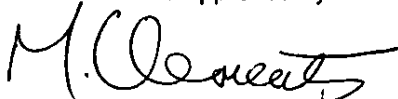
CRESSET (PETERBOROUGH) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	12	2,660,018		2,680,128	
Investments	13	1,061,703		1,281,703	
		<u>3,721,721</u>		<u>3,961,831</u>	
Current assets					
Debtors	14	247,106		275,865	
Cash at bank and in hand		19,389		259,556	
		<u>266,495</u>		<u>535,421</u>	
Creditors: amounts falling due within one year	15	<u>(523,822)</u>		<u>(559,366)</u>	
Net current liabilities		<u>(257,327)</u>		<u>(23,945)</u>	
Total assets less current liabilities		<u><u>3,464,394</u></u>		<u><u>3,937,886</u></u>	
Capital funds					
Endowment funds	17	2,649,000		2,649,000	
Income funds					
Unrestricted funds		815,394		1,288,886	
		<u><u>3,464,394</u></u>		<u><u>3,937,886</u></u>	

The accounts were approved by the Board on 5 October 2010



Mr Matthew Clements
Trustee

Company Registration No 01105525

CRESSET (PETERBOROUGH) LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets

The charity has incurred a further significant deficit this year. The trustees are undertaking a detailed review of the financial position of the charity and are considering the options available for the future. The trustees believe that the charity can continue to operate in the short term, although significant changes will be required in the longer term.

The charitable company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charitable company.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

Any grant receivable is shown as an incoming resource once the charity has met any conditions relating to its receipt and when it has reasonable assurance that the grant will be received. The grant is shown within the appropriate fund, in accordance with any restrictions placed on its use by the donor. Incoming resources are only deferred if the donor has restricted their use until a future accounting period.

1.3 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Certain expenditure is directly attributable to specific activities and has therefore been included in the related cost category. Other costs may be attributable to more than one activity, but the proportion relating to designated, restricted and permanent endowment funds is not considered to be material, and is charged against unrestricted funds and has not been allocated to other funds.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	Over the period of the lease
Computer equipment	20% - 33% p a on cost
Fixtures, fittings & equipment	5% - 33% p a on cost
Motor vehicles	25% p a on cost

Leasehold property is included in the balance sheet at historic valuation from 2005, and depreciation is charged over the remaining term of the lease.

1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

CRESSET (PETERBOROUGH) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

1 Accounting Policies

(continued)

1.6 Investments

Investment properties are included in the balance sheet at their open market value

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the trustees compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.7 Local authority contributions

Revenue contributions are accounted for on an accruals basis

1.8 Fund accounting

Funds held by the charity are either 'capital' or 'income' and are further designated either as 'restricted' or 'unrestricted'

Capital funds are resources which the company are required to invest or retain and use for the charity's purposes. Capital funds may be 'permanent endowment' where the trustees have no power to convert it into income and apply it as such or 'expendable endowment', where they do have this power.

Income funds represent the unexpended amount of resources available to the charity which are required to be applied in furtherance of its charitable objectives.

Restricted funds may be restricted income funds which are expendable at the discretion of the trustees in furtherance of some particular aspects of the objects of the charity. Alternatively they may be capital (i.e. endowment) funds.

Unrestricted funds, which may include voluntarily designated funds, are expendable by the company in furtherance of the charity's objectives.

Further explanation of the nature and purpose of each specific fund is included in the following notes to the financial statements.

2 Donations and legacies

	2010 £	2009 £
Grants receivable for core activities		
Unrestricted funds		
Community related asset grant	6,505	19,046
Bretton Woods replacement income grant	85,000	85,000
	<u>91,505</u>	<u>104,046</u>

CRESSET (PETERBOROUGH) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

3 Investment income

	2010 £	2009 £
Rental income	40,995	55,765
Recharged expenditure	755	354
Service charges	1,379	1,223
	<u>43,129</u>	<u>57,342</u>

4 Incoming resources from charitable activities

	2010 £	2009 £
Rental income	40,239	38,721
Service charges	99,124	109,285
Recharged expenditure	188,325	159,975
Community shows and dance income	35,154	45,759
	<u>362,842</u>	<u>353,740</u>

5 Other incoming resources

	2010 £	2009 £
Other income	<u>157,515</u>	<u>-</u>

This is the management charge for the year to Cresset Leisure Services Limited. Full provision has been made against this (see note 7)

CRESSET (PETERBOROUGH) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2010 £	Total 2009 £
Charitable activities					
<u>Provision of premises for charitable organisations</u>					
Activities undertaken directly	299,389	21,187	555,908	876,484	913,956
<u>Support of community activities</u>					
Activities undertaken directly	-	-	25,699	25,699	56,918
	<u>299,389</u>	<u>21,187</u>	<u>581,607</u>	<u>902,183</u>	<u>970,874</u>
Governance costs					
	<u>-</u>	<u>-</u>	<u>6,300</u>	<u>6,300</u>	<u>6,000</u>
	<u><u>299,389</u></u>	<u><u>21,187</u></u>	<u><u>587,907</u></u>	<u><u>908,483</u></u>	<u><u>976,874</u></u>

Included within resources expended are fees payable to the auditor of £6,300 (2009 - £6,000) for the audit of the charitable company's annual accounts and £17,773 (2009 - £16,283) for other services

7 Activities undertaken directly

	2010 £	2009 £
Other costs relating to provision of premises for charitable organisations comprise		
Other staff costs	1,036	3,561
Light and heat	134,588	183,039
Insurance	30,730	43,832
Rates	25,528	22,798
Travel and subsistence	97	5,042
General administration costs	49,022	31,785
Premises costs	93,331	93,109
Bank charges	1,821	8,041
Maintenance subcontract costs	21,237	27,190
Bad and doubtful debts	157,515	-
Equipment hire and maintenance	17,664	29,250
Advertising	709	2,814
Legal and professional	22,630	37,769
Interest interfund loan	-	287
	<u>555,908</u>	<u>488,517</u>
Other costs relating to support of community activities comprise		
Community shows	25,699	56,918
	<u>25,699</u>	<u>56,918</u>

CRESSET (PETERBOROUGH) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

8 Governance costs

	2010 £	2009 £
Other governance costs comprise		
Audit and accountancy	6,300	6,000
	<u>6,300</u>	<u>6,000</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none were reimbursed any expenses (2009 none)

10 Employees

Number of employees

The average monthly number of employees during the year was

	2010 Number	2009 Number
Management	2	4
Administration	4	3
Works	19	17
Selling	7	5
	<u>32</u>	<u>29</u>

Employment costs

	2010 £	2009 £
Wages and salaries	283,482	367,012
Social security costs	15,907	23,307
Other pension costs	-	5,123
	<u>299,389</u>	<u>395,442</u>

There were no employees whose annual remuneration was £60,000 or more

11 Taxation

The company is a registered charity. It only applies its funds in accordance with its charitable objectives, and is not trading with a view to making distributable profits, therefore corporation tax is not chargeable.

CRESSET (PETERBOROUGH) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

12 Tangible fixed assets

	Leasehold land & buildings £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 April 2009	2,680,501	480,841	3,161,342
Additions	-	1,077	1,077
At 31 March 2010	2,680,501	481,918	3,162,419
Depreciation			
At 1 April 2009	67,830	413,384	481,214
Charge for the year	2,696	18,491	21,187
At 31 March 2010	70,526	431,875	502,401
Net book value			
At 31 March 2010	2,609,975	50,043	2,660,018
At 31 March 2009	2,612,671	67,457	2,680,128

The charity holds a 999 year lease, which commenced in 1979, over the leasehold land and buildings. The charity does not pay rent under the terms of the lease, but is required to provide rent-free accommodation to certain other tenants for the duration of the lease.

Leasehold property is included in the balance sheet at historic valuation from 2005, and depreciation is charged over the remaining term of the lease.

All tangible fixed assets are used for charitable purposes.

13 Fixed asset investments

	Investment properties £	Shares in subsidiary (ordinary) £	Total £
Market value at 1 April 2009	1,281,701	2	1,281,703
Change in value in the year	(220,000)	-	(220,000)
Market value at 31 March 2010	1,061,701	2	1,061,703

CRESSET (PETERBOROUGH) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

13 Fixed asset investments (continued)

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Cresset Leisure Services Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Principle Activities	Capital and reserves £	Profit/(loss) for the year £
Cresset Leisure Services Limited	Provision of leisure services	(265,897)	(217,666)

See note 22 for further details on the charity's investment in preference shares in the subsidiary

14 Debtors	2010 £	2009 £
Trade debtors	5,893	14,692
Other debtors	200,000	204,505
Prepayments and accrued income	41,213	56,668
	<u>247,106</u>	<u>275,865</u>

15 Creditors, amounts falling due within one year	2010 £	2009 £
Bank overdrafts	-	166,406
Trade creditors	52,597	87,038
Amounts owed to group undertakings	216,849	207,291
Taxes and social security costs	13,427	5,601
Other creditors	66,000	16,000
Accruals	75,190	77,030
Deferred income	99,759	-
	<u>523,822</u>	<u>559,366</u>

CRESSET (PETERBOROUGH) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

16 Pension and other post-retirement benefit commitments Defined contribution

	2010 £	2009 £
Contributions payable by the company for the year	-	5,123

17 Endowment funds

	Balance at 1 April 2009	Movement in funds		Balance at 31 March 2010
		Incoming resources	Resources expended	
	£	£	£	£
Expendable endowments				
Community asset - leasehold land and buildings	2,649,000	-	-	2,649,000
	2,649,000	-	-	2,649,000

18 Analysis of net assets between funds

	Unrestricted funds £	Endowment funds £	Total £
Fund balances at 31 March 2010 are represented by			
Tangible fixed assets	11,018	2,649,000	2,660,018
Investments	1,061,703	-	1,061,703
Current assets	266,495	-	266,495
Creditors amounts falling due within one year	(523,822)	-	(523,822)
	815,394	2,649,000	3,464,394

19 Commitments under operating leases

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows

	2010 £	2009 £
Expiry date		
Between two and five years	17,401	17,401

CRESSET (PETERBOROUGH) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

20 Related parties

Company Law requires any transactions with directors to be disclosed. In a community based organisation a certain number of transactions with related parties is inevitable, and incoming resources of the Charity (see note 4) includes income derived from members under common services agreement under the terms of their leases.

	Income 2010	Outstanding at 31 March 2010	Income 2009 £	Outstanding at 31 March 2009 £
Peterborough City Council	140,273	1,640	221,600	-
Shared Churches (Peterborough) Limited	24,664	-	16,505	-
YMCA Cambridgeshire & Peterborough	110,698	-	88,270	-

Included within other creditors is a loan from Peterborough City Council which is interest free and repayable at £8,000 per annum.

A Collaboration Agreement with the YMCA was entered into on 18th May 2009 (see note 21).

During the year the YMCA made a loan to The Creset (Peterborough) Limited of £50,000 which is included within other creditors within the financial statements. The loan is repayable under the terms of a loan agreement. This allows for a 12 month payment 'holiday' followed by monthly payments over 15 years. Interest is being charged on the loan at Lloyds TSB base rate plus 1%. The YMCA's interest in this agreement is secured by means of a first legal charge on a freehold property, owned by The Creset (Peterborough) Limited.

At the year end there are the following balances with Creset Leisure Services Limited:

- an amount of £200,000 (2009 - £200,000) included within other debtors relating to the reclassification of the investment in preference shares
- a debtor of £157,515 relating to amounts due from Creset Leisure Services Limited, against which full provision has been made
- an amount of £216,849 (2009 - £207,291) included within creditors



CRESSET (PETERBOROUGH) LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

21 Controlling party

At the beginning of the year, The Cresset (Peterborough) Limited, was controlled by a Council of Management (The Trustees), comprising nominated representatives of four organisations plus other independent members. A collaboration agreement between the YMCA and The Cresset (Peterborough) Limited was signed on 18 May 2009.

The YMCA has three of its own Directors as appointed Directors of the Board of The Cresset (Peterborough) Limited, alongside three named partners and three independent directors. The YMCA directors do not vote on significant matters discussed during Cresset Board Meetings, and cannot exercise control or dominant influence over The Cresset (Peterborough) Limited without invoking a specific clause within the Collaboration Agreement. The Cresset (Peterborough) Limited is not therefore deemed to be a subsidiary as defined by Financial Reporting Standard 2 'Subsidiary Undertakings' and accordingly its accounts are not consolidated with those of the YMCA.

The YMCA has agreed within the Collaboration Agreement not to invoke this clause and consequently exercise control or dominant influence over The Cresset (Peterborough) Limited unless specific events outlined in the agreement occur.

If the clause were invoked The Cresset (Peterborough) Limited would become a subsidiary undertaking of the YMCA for accounting purposes, and consequently the financial statements of The Cresset (Peterborough) Limited would need to be consolidated with those of the YMCA.

The YMCA is the sole member of The Cresset (Peterborough) Limited.

22 Post balance sheet events

The charity has agreed to redeem the cumulative preference shares it holds in its subsidiary, Cresset Leisure Services Limited, but waive their entitlement to the arrears of dividends on those shares. It is anticipated that this decision will be effected following the year end and therefore the investment has been reclassified as a debtor.