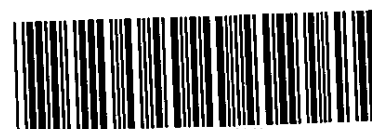


**RENAISSANCE SOUTHEND LIMITED**  
**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

Clouders (Audit & Accounts) Limited  
Chartered Certified Accountants  
Registered Auditors  
103-105 Leigh Road  
Leigh-on-sea  
Essex  
SS9 1JL

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COMPANIES HOUSE

**RENAISSANCE SOUTHEND LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

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**RENAISSANCE SOUTHEND LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

**DIRECTORS:**

Ms S M Bedell  
M S C Foster Esq  
Ms D Jeakings  
Ms F Bryant  
J L Lamb Esq  
M G Lambert Esq  
T Le Masurier Esq  
A D McGarel Esq  
J H Moody Esq  
A H Rich Esq  
T Steel Esq  
G Sullivan Esq

**SECRETARY:**

Mrs S Sutton

**REGISTERED OFFICE:**

19 Clifftown Road  
Southend-on-Sea  
Essex  
SS1 1AB

**REGISTERED NUMBER:**

5398028

**SENIOR STATUTORY  
AUDITOR:**

C E Binnie

**AUDITORS:**

Clouders (Audit & Accounts) Limited  
Chartered Certified Accountants  
Registered Auditors  
103-105 Leigh Road  
Leigh-on-sea  
Essex  
SS9 1JL

## **RENAISSANCE SOUTHEND LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31ST MARCH 2010**

The directors present the report with the financial statements of the company for the year ended 31st March 2010

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the Urban Regeneration Company for Southend-on-Sea. It is incorporated as a not for profit, private company limited by guarantee. It does not have share holders as such, but its Founder Members are Southend-on-Sea Borough Council, Homes & Communities Agency, East of England Development Agency, South Essex College and the University of Essex.

The Company's stated objectives are to assist, promote, encourage, develop and secure the regeneration in the social, physical and economic environment of Southend-on-Sea, through a partnership between public and private sector organisations and agencies

The company's activities are focussed on contributing to the following objectives identified through the Southend-on-Sea Regeneration Framework, which has been endorsed by the Company's Founder Members and Partners:

Create a fully functional centre for the sub-region

Develop the town centre's further and higher education sector and capture its full value for the business and cultural sectors.

Take full advantage of London Southend Airport to provide South Essex with a full service airport, supported by a new industrial and business park.

Improve on the scale and diversity of housing and lifestyle choice to improve on the offer in Southend

Provide the improvements needed to roads, parking, public transport, and pedestrians and cycling access for efficient travel to, and within, Southend-on-Sea.

Create quality industrial estates across the Borough that will meet the local industry and distribution needs.

Make the most of Southend's distinctive heritage, landscape and bio-diversity assets to support tourism and leisure

Improve the quality of the public realm across the whole Borough.

Seek to ensure appropriate statutory planning policies are in place to support the achievement of sustainable regeneration and growth

## **RENAISSANCE SOUTHEND LIMITED**

### **REPORT OF THE DIRECTORS** **FOR THE YEAR ENDED 31ST MARCH 2010**

#### **REVIEW OF BUSINESS**

Southend has not been immune from the overall impact of the recession on the commercial and residential property market, which has hampered efforts to attract investment into the town centre, which is a key priority for the Company. However, there have been some notable achievements by both the public sector partners and private sector. The most significant is the £25m refurbishment of the iconic Palace Hotel as a 3\* Park Inn on the seafront, completed in the end without public subsidy, but following a number of years of negotiation involving both the Company and public sector partners. Work has also continued on the £44m University Square, providing 560 student rooms for the University of Essex, ground floor commercial uses with 300 public parking spaces below. This is an excellent example of partnership working between the Company's Founder Members and the private sector to bring forward a vacant brownfield site for development in the town centre. The scheme will be completed by the autumn.

Renaissance Southend's other priority has been to help ensure certainty over the future development of London Southend Airport. Following the purchase by the Stobart Group in late 2008, there has been significant progress over the last year, with a Preferred Option for a Joint Area Action Plan published by Southend and Rochford Councils promoting the development of a fully functioning regional airport and major new business park. Stobart has embarked on a £35m development programme, including new rail station, control tower, hotel and terminal for completion by 2012 Olympics. Planning permission has also recently been granted for the runway extension necessary for the proposed growth in passenger services. The Airport and business park have the potential to generate up to 7,000 jobs over the next 10-15 years and the Company was delighted to help Prospects Vocational College secure £588,000 from the Homes & Communities Agency (HCA) Thames Gateway Programme towards the provision of an Aviation Engineering Academy to create opportunities for local apprenticeships to meet current employers' requirements on the Airport. The good news was tempered by disappointment for South Essex FE, who College despite receiving ministerial approval for their merger with Thurrock and Basildon, were unable to secure funding from the Learning & Skills Council for a much needed extension in Southend. However, a revised scheme is now being prepared with the University, College and Borough Council for a new Cultural and Learning Quarter in the heart of the town centre.

The fifth year of the Company's operations and the second year of the Government's current spending period has seen a concerted effort to bring forward a number of key projects identified in the 2008 Business Plan. These include some £25m of Public Realm and Infrastructure projects in the town centre, seafront and on the A127, now being delivered by the Borough Council and largely funded through HCA Thames Gateway Programme, Community Infrastructure Funding and DfT. Some delays were experienced over the summer whilst the HCA went through a re-appraisal of the funding commitments but Southend has benefitted from this process, with all but one scheme approved. Work has now commenced on six projects under this programme, with final completions by March 2011. The URC has continued to work with Partners to prepare a series of Development Briefs, viability and feasibility studies to try to help move forward the key town centre sites for redevelopment and this work will continue in 2010-11 in support of the emerging Central Southend Area Action Plan. This has included a major public exhibition on the Victoria Avenue Business and Civic Quarter, attended by more than 500 people.

The Digital Exploration Centre concept continues to develop and this year has seen funding from the Government's Technology Strategy Board assist in developing a test bed for improved high speed digital connectivity for the town, to support business, creative and education sectors, through a partnership with University of Essex and METAL Arts Foundation. Additional funding has been secured from East of England Development Agency to take the project forward again in 2010-11.

The Company has continued its role in promoting Southend-on-Sea through a significant presence at the Thames Gateway Forum, with sponsorship from a number of key partners, and an active campaign of positive promotion of Southend-on-Sea's regeneration through national regional, and technical media.

**RENAISSANCE SOUTHEND LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

Looking forward, the immediate priority for the Board is to seek urgent clarification from the key partners on the future funding of the Company's operational costs, post March 2011, and once this has been established to plan accordingly for the consequences. In the meantime the Company will continue to assist Partners in the delivery of a number of work streams and projects that are due for delivery and/or completion by March 2011

The Income and Expenditure and Balance Sheet includes figures including a long term pension strain liability. This arose after staff redundancies were made during 2009/10 following a review of the business in the interests of efficiency. It is anticipated that as a result of this review there will be annual salary savings of approximately £ 130,000

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st April 2009 to the date of this report

M G Lambert Esq  
T Steel Esq  
G Sullivan Esq  
M S C Foster Esq  
Ms S M Bedell  
J L Lamb Esq  
A D McGarel Esq  
J H Moody Esq  
A H Rich Esq  
Ms D Jeakings  
T Le Masurier Esq

Other changes in directors holding office are as follows

Ms F Bryant - appointed 26th February 2010  
Ms N Polaine – appointed 8<sup>th</sup> June 2010  
N G Misell Esq – appointed 11<sup>th</sup> May 2010  
J Martin Esq - resigned 28th July 2009  
J L Merrick - resigned 26th February 2010  
I S Simpson Esq - resigned 19th November 2009  
R H Williams Esq - resigned 21st September 2009

**FINANCIAL MANAGEMENT**

The Company maintains a strict code of conduct and internal Financial Regulations which have been approved by the Board and are reviewed on an annual basis

The Company also maintains a Risk Management Policy Statement, Strategy and Assessment which identifies any significant threats to the achievement of the Company's ambitions.

**GRANT AND CAPITAL INCOME**

The directors confirm that all grant and capital income has been spent in accordance with the conditions of the relevant funding agreements.

**COMPANY LIMITED BY GUARANTEE**

The company is limited by the guarantee of the members. The liability of the members is limited to £1 on the winding up of the company.

**RENAISSANCE SOUTHEND LIMITED**

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 then 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

**AUDITORS**

The auditors, Clouders (Audit & Accounts) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

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

**ON BEHALF OF THE BOARD:**



.....  
Chairman – T Steel

Date: 7<sup>th</sup> September 2010

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
RENAISSANCE SOUTHEND LIMITED**

We have audited the financial statements of Renaissance Southend Limited for the year ended 31st March 2010 on pages eight to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 a Report of the Auditors 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.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31st March 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**Emphasis of matter**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 11 to the financial statements concerning the company's ability to continue as a going concern. In light of the recent funding review undertaken by the Government, along with other matters explained in note 11 to the financial statements, this would indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include adjustments that would result if the company was unable to continue as a going concern.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

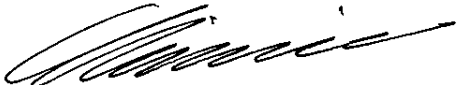


**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**RENAISSANCE SOUTHEAST LIMITED**

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

We have nothing to report in respect of the following matters where 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 and the Report of the Directors in accordance with the small companies regime



C E Binnie (Senior Statutory Auditor)  
for and on behalf of Clouder (Audit & Accounts) Limited  
Chartered Certified Accountants  
Registered Auditors  
103-105 Leigh Road  
Leigh-on-sea  
Essex  
SS9 1JL

Date: 7th September 2010

**RENAISSANCE SOUTHEND LIMITED**

**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

	Notes	2010 £	2009 £
<b>INCOME</b>			
Grants		917,323	3,069,931
Capital		1,372,158	-
Other income		11,192	22,817
		<u>2,300,673</u>	<u>3,092,748</u>
Project costs		<u>1,666,320</u>	<u>2,277,204</u>
<b>INCOME AFTER ATTRIBUTABLE PROJECT COSTS</b>		<b>634,353</b>	<b>815,544</b>
Administrative expenses		<u>619,572</u>	<u>815,544</u>
<b>OPERATING SURPLUS</b>	2	<b>14,781</b>	-
Pension strain payments	10	<u>67,097</u>	-
		<b>(52,315)</b>	-
Interest receivable and similar income		<u>42</u>	<u>1,748</u>
		<b>(52,273)</b>	<b>1,748</b>
Interest payable and similar charges		<u>28</u>	-
<b>(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(52,301)</b>	<b>1,748</b>
Tax on (deficit)/surplus on ordinary activities	3	<u>9</u>	<u>1,381</u>
<b>(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<b><u>(52,310)</u></b>	<b><u>367</u></b>

The notes form part of these financial statements

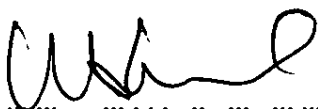
**RENAISSANCE SOUTHEND LIMITED**

**BALANCE SHEET**  
**31ST MARCH 2010**

	Notes	2010 £	2009 £
<b>FIXED ASSETS</b>			
Tangible assets	4	10,133	9,963
<b>CURRENT ASSETS</b>			
Debtors	5	1,066,976	812,068
Cash at bank and in hand		<u>6,465</u>	<u>134,077</u>
		1,073,441	946,145
<b>CREDITORS</b>			
Amounts falling due within one year	6	<u>974,534</u>	<u>850,672</u>
<b>NET CURRENT ASSETS</b>		<u>98,907</u>	<u>95,473</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		109,040	105,436
<b>CREDITORS</b>			
Amounts falling due after more than one year	7	<u>55,914</u>	-
<b>NET ASSETS</b>		<u>53,126</u>	<u>105,436</u>
<b>RESERVES</b>			
Contingency reserve	9	<u>53,126</u>	<u>105,436</u>
		<u>53,126</u>	<u>105,436</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 7<sup>th</sup> September 2010 and were signed on its behalf by



.....  
Chairman – T Steel

The notes form part of these financial statements

**RENAISSANCE SOUTHEND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

**Grant Income**

Turnover represents the value of grants receivable appropriate to the accounting year, net of amounts refundable or deferred to a future accounting year.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment and fixtures            - 33% on cost

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the income and expenditure account as incurred

**Going concern**

The accounts have been drawn up on a going concern basis. As per note 11 to the accounts, the directors anticipate that should all the funding partners withdrawn their funding, there will be sufficient funds to meet all liabilities, as and when they fall due

If the going concern basis were not appropriate, adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets as current assets, and long term liabilities as current liabilities

**RENAISSANCE SOUTHEND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

**1 ACCOUNTING POLICIES - continued**

**Pensions**

Renaissance Southend Ltd participates in a defined benefit scheme operated by Essex County Council. The contributions are determined by Mercers Human Resource Consulting, independent qualified actuaries, on the basis of triennial valuations

Although the Fund is a defined benefit scheme, because Renaissance Southend Ltd, as a Small Admission Body, is grouped together with other similar employers, it is not possible to separately identify its share of the underlying assets and liabilities and it is therefore accounted for as a defined contribution scheme.

Pension contributions charged during the year amounted to £52,068 13 (2008/09 £51,222.21)

The most recent valuation took place at 31 March 2007 and has specified the employer rates applicable for the three years from 1 April 2008. The ongoing contribution rate for Renaissance Southend Ltd during 2009/10 was 11.7% of pensionable pay. The value of the scheme's assets at 31 March 2007 was sufficient to cover 79.6% of the benefits that had accrued to members. On the basis of the 2007 valuation, this deficiency was to be eliminated over the average service life of members of 11 years. A sum of £16,788.96 was made by Renaissance Southend Ltd in 2009/10 towards this deficiency. A sum of £17,621.21 will be payable by Renaissance Southend Ltd in 2010/11. Any payments to meet unfounded benefits which are recharged to Renaissance Southend Ltd, or financial strain payments made by Renaissance Southend Ltd are in addition to the above and the final deficit is underwritten by Southend Borough Council.

Financial strain payments of £67,097.20 are to be paid within the next 5 years, with the first instalment due in June 2010.

The main actuarial assumptions used in the 2007 valuation are set out below

	2007 funding target	2007 normal cost
Investment return		
Pre-retirement	6.9% p.a.	6.5% p.a.
Investment return		
Post-retirement	5.4% p.a.	6.5% p.a.
Salary increases	4.6% p.a.	4.25% p.a.
Pension increases in payment	3.1% p.a.	2.75% p.a.

The 2007 valuation determined that the scheme's assets were sufficient to cover 79.6% of the benefits that had accrued to members. The value of the Fund's assets at the 2007 valuation was £3,043m and the value of the liabilities was £3,825m. The past service deficiency was £782m. The target distribution of assets is set out below.

Fund Assets	Proportion 31/03/07
Overseas Equities	35%
UK Equities	25%
Property	12%
Fixed interest	7%
Shareholder Activism	6%
LIBOR+	5%
Private Equity	4%
Index Limited	3.5%
Infrastructure	2.5%

**RENAISSANCE SOUTHEND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

**2. OPERATING SURPLUS/(DEFICIT)**

The operating surplus/(deficit) is stated after charging:

	2010	2009
	£	£
Depreciation - owned assets	9,347	15,346
Auditors' remuneration	4,500	4,500
Pension costs	<u>27,359</u>	<u>41,631</u>
 Directors' remuneration and other benefits etc	 <u>146,008</u>	 <u>139,045</u>

**3 TAXATION**

The company's main objective is to assist in the urban regeneration of Southend-on-Sea. This is a public sector funded company, formed with a view to achieving community benefit. It is understood that current Inland Revenue opinion is that monies received from government sources are not subject to corporation tax unless utilised for independent trading purposes. On this basis the company's tax charge is calculated solely on investment income received gross.

The charge to taxation is made up as follows:

	2010	2009
	£	£
Corporation tax on interest	9	367
Prior year adjustment	<u>-</u>	<u>1,014</u>
	<u>9</u>	<u>1,381</u>

**4 TANGIBLE FIXED ASSETS**

	Equipment and fixtures £
<b>COST</b>	
At 1st April 2009	82,003
Additions	<u>9,517</u>
At 31st March 2010	<u>91,520</u>
<b>DEPRECIATION</b>	
At 1st April 2009	72,040
Charge for year	<u>9,347</u>
At 31st March 2010	<u>81,387</u>
<b>NET BOOK VALUE</b>	
At 31st March 2010	<u>10,133</u>
At 31st March 2009	<u>9,963</u>

**RENAISSANCE SOUTHEND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Funding & other income due	1,044,932	812,068
Other debtors	<u>22,044</u>	<u>-</u>
	<u><b>1,066,976</b></u>	<u><b>812,068</b></u>

**6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	26,437	-
Creditors	884,064	785,394
Taxation and social security	9	1,381
Accruals	<u>64,024</u>	<u>63,897</u>
	<u><b>974,534</b></u>	<u><b>850,672</b></u>

Included within creditors is deferred income of £nil (2009 £64,598) representing money received from the funders which had not been expended by the year end. Any ultimate surplus or deficit at the completion of the operations will be repayable to the funders.

**7 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Other creditors	<u><b>55,914</b></u>	<u><b>-</b></u>

**8. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Expiring:		
In more than five years	<u><b>24,981</b></u>	<u><b>24,981</b></u>

**RENAISSANCE SOUTHEND LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST MARCH 2010**

**9. RESERVES**

	Income reserve £	Contingency reserve £	Totals £
At 1st April 2009	-	105,436	105,436
Deficit for the year	(52,310)		(52,310)
Transfer	<u>52,310</u>	<u>(52,310)</u>	<u>-</u>
At 31st March 2010	<u>-</u>	<u>53,126</u>	<u>53,126</u>

**10 EXCEPTIONAL ITEMS**

Following the redundancy of 2 members of staff, the company has become liable for the cost of the early retirement financial strain on their pension fund. A total liability of £67,097 is payable by instalments over 5 years. This liability has been included within other creditors.

**11. POST BALANCE SHEET EVENTS**

Since the company's year end, it has been reported that the Government is reviewing all ongoing expenditure. Although no final decisions have yet been made, two of the company's funding partners, who accounted for approximately 44% of the company's funding in the year, have confirmed that they do not anticipate funding to continue beyond 31<sup>st</sup> March 2011. Should all funding cease at that date, the company may cease trading on 31<sup>st</sup> March 2011, but current projections show that there will be sufficient funds to meet all existing liabilities, as and when they fall due.