

Charity registration number 1154976

Company registration number 08762956 (England and Wales)

**CITY COLLEGE PETERBOROUGH FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 MARCH 2022**

# CITY COLLEGE PETERBOROUGH FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Directors</b>	P Carrington T Hennessy C Higgins L Hull J Procter
<b>Charity number</b>	1154976
<b>Company number</b>	08762956
<b>Registered office</b>	City College Peterborough Brook Street Peterborough United Kingdom PE1 1TU
<b>Auditor</b>	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough United Kingdom PE1 2SP
<b>Bankers</b>	CAF Bank Limited PO Box 289 West Malling Kent United Kingdom ME19 4TA

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# CITY COLLEGE PETERBOROUGH FOUNDATION

## CONTENTS

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	<b>Page</b>
Directors' report	1 - 3
Statement of directors' responsibilities	4
Independent auditor's report	5 - 7
Statement of financial activities	8 - 9
Summary income and expenditure account	10
Balance sheet	12 - 13
Statement of cash flows	12
Notes to the financial statements	13 - 27

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# **CITY COLLEGE PETERBOROUGH FOUNDATION**

## **DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE PERIOD ENDED 30 MARCH 2022**

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The directors present their annual report and financial statements for the Period ended 30 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

The charity's purposes as set out in the objects contained in the company's memorandum of association are to:

- 1) to advance education;
- 2) to advance health;
- 3) to relieve unemployment
- 4) to relieve poverty;
- 5) to promote for the benefit of the public the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants;
- 6) the promotion of community participation in healthy recreation in particular by the provision of facilities for the playing of sports and related activities;
- 7) to promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society.

'Socially excluded' means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards); crime (either as a victim of crime or as an offender rehabilitating into society).

The directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

##### **Financial review**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the Period.

The directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# **CITY COLLEGE PETERBOROUGH FOUNDATION**

## **DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE PERIOD ENDED 30 MARCH 2022***

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### **Structure, governance and management**

The charity is a company limited by guarantee and is governed by its Articles of Association.

The directors who served during the Period and up to the date of signature of the financial statements were:

P Carrington

T Hennessy

C Higgins

L Hull

J Procter

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

### **History and activity**

The charity was set up in 2014 and remained inactive until April 2016 when funds were transferred from City College Peterborough 'Activities and Amenities' account, an historic account built up from non-funded College activities.

In August 2015 City College Peterborough took over the management of the Peterborough Day Opportunities Service providing day and employment support to adults under 65 with a disability.

Part of the development plan for Day Opportunities is to grow exciting and new supported micro enterprises into self sustaining social enterprises which will be managed through the charity. People supported in Day Opportunities, their parents, carers and staff had, prior to becoming part of City College Peterborough, raised funds at Kingfisher Centre, one of the day centres, to purchase specialised equipment for people with multiple and complex needs. These funds have been transferred into the charity and are treated as restricted funds.

The charity does not currently have any employees in its service.

September 2020 saw the incorporation of a wholly owned trading subsidiary named City Culture Peterborough Ltd which was created in order for the charity to take on responsibility for running cultural, heritage and library services on behalf of Peterborough City Council. City Culture Peterborough Limited assumed this responsibility from the 1st of October 2020 and undertook the operational management of 10 libraries, archives, the Peterborough Museum and Art Gallery, Flag Fen Archaeology Park, and the Key Theatre within Peterborough until 31 March 2022. All activities of the company were transferred out at this date and the company has not traded since.

City Culture Peterborough is a separate company limited by shares where the charity is the sole shareholder.

The 3 directors of the company are also trustees of the charity and the charity has consolidated the accounts of City Culture Peterborough Limited in this reporting period.

## **CITY COLLEGE PETERBOROUGH FOUNDATION**

### **DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** ***FOR THE PERIOD ENDED 30 MARCH 2022***

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#### **Auditor**

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

The directors' report was approved by the Board of Directors.

#### **P Carrington**

Director

Dated: 8 March 2023

# **CITY COLLEGE PETERBOROUGH FOUNDATION**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

***FOR THE PERIOD ENDED 30 MARCH 2022***

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The directors, who also act as trustees for the charitable activities of City College Peterborough Foundation, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that Period.

In preparing these financial statements, the directors 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **CITY COLLEGE PETERBOROUGH FOUNDATION**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE DIRECTORS OF CITY COLLEGE PETERBOROUGH FOUNDATION**

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#### **Opinion**

We have audited the financial statements of City College Peterborough Foundation (the 'charity') and its subsidiary for the Period ended 30 March 2022 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group and Parent Charitable Company Cash Flow Statements and the 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 Financial Reporting Standard 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 Group and Parent Charitable Company affairs as at 30 March 2022 and of its incoming resources and application of resources, for the Period 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 Group and Parent Charitable 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other matter - going concern of the subsidiary company**

We draw attention to note 1.3 to the financial statements which explains that the company ceased trading and therefore the directors do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern. Our opinion is not modified in respect of this matter.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.



# **CITY COLLEGE PETERBOROUGH FOUNDATION**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE DIRECTORS OF CITY COLLEGE PETERBOROUGH FOUNDATION**

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#### **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 Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the directors' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the statement of directors' responsibilities, 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 charity'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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# CITY COLLEGE PETERBOROUGH FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE DIRECTORS OF CITY COLLEGE PETERBOROUGH FOUNDATION

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Tracey Richardson BSc (Hons) FCA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

10 March 2023

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
United Kingdom  
PE1 2SP

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# CITY COLLEGE PETERBOROUGH FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD ENDED 30 MARCH 2022

### Current financial year

		Unrestricted funds 2022	Restricted funds 2022	Endowment funds 2022	Total 2022	Total 2021
	Notes	£	£	£	£	£
<b>Income from:</b>						
Donations and legacies	3	444	3,206	-	3,650	674
Charitable activities	4	290,160	-	-	290,160	133,563
Other trading activities	5	3,432,694	-	-	3,432,694	1,380,705
<b>Total income</b>		<b>3,723,298</b>	<b>3,206</b>	<b>-</b>	<b>3,726,504</b>	<b>1,514,942</b>
<b>Expenditure on:</b>						
Raising funds	6	3,442,849	-	-	3,442,849	1,370,550
Charitable activities	7	73,180	-	77,200	150,380	127,363
<b>Total resources expended</b>		<b>3,516,029</b>	<b>-</b>	<b>77,200</b>	<b>3,593,229</b>	<b>1,497,913</b>
<b>Net movement in funds</b>		<b>207,269</b>	<b>3,206</b>	<b>(77,200)</b>	<b>133,275</b>	<b>17,029</b>
Fund balances at 1 April 2021		260,844	4,798	4,531,333	4,796,975	4,779,946
<b>Fund balances at 30 March 2022</b>		<b>468,113</b>	<b>8,004</b>	<b>4,454,133</b>	<b>4,930,250</b>	<b>4,796,975</b>

The statement of financial activities includes all gains and losses recognised in the Period.

All income and expenditure derive from continuing activities.

# CITY COLLEGE PETERBOROUGH FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
	Notes				
<b>Income from:</b>					
Donations and legacies	3	674	-	-	674
Charitable activities	4	133,563	-	-	133,563
Other trading activities	5	1,380,705	-	-	1,380,705
<b>Total income</b>		<b>1,514,942</b>	<b>-</b>	<b>-</b>	<b>1,514,942</b>
<b>Expenditure on:</b>					
Raising funds	6	1,370,550	-	-	1,370,550
Charitable activities	7	75,896	-	51,467	127,363
<b>Total resources expended</b>		<b>1,446,446</b>	<b>-</b>	<b>51,467</b>	<b>1,497,913</b>
<b>Net movement in funds</b>		<b>68,496</b>	<b>-</b>	<b>(51,467)</b>	<b>17,029</b>
Fund balances at 1 August 2020		192,348	4,798	4,582,800	4,779,946
<b>Fund balances at 31 March 2021</b>		<b>260,844</b>	<b>4,798</b>	<b>4,531,333</b>	<b>4,796,975</b>

The statement of financial activities includes all gains and losses recognised in the Period.

All income and expenditure derive from continuing activities.

# CITY COLLEGE PETERBOROUGH FOUNDATION

## SUMMARY INCOME AND EXPENDITURE ACCOUNT

*FOR THE PERIOD ENDED 30 MARCH 2022*

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	All income funds Period ended 30 March 2022 £	Period ended 31 March 2021 £
Gross income	3,726,504	1,514,942
Total expenditure from income funds	3,516,029	1,446,446
<b>Net income for the Period</b>	<b>210,475</b>	<b>68,496</b>

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# CITY COLLEGE PETERBOROUGH FOUNDATION

## BALANCE SHEETS

AS AT 30 MARCH 2022

	Notes	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
<b>Fixed assets</b>					
Tangible assets	12	4,454,133	4,454,133	4,543,870	4,531,333
Investments	13	-	100	-	100
		4,454,133	4,454,233	4,543,870	4,531,433
<b>Current assets</b>					
Debtors	15	242,042	184,278	204,353	93,387
Cash at bank and in hand		506,526	434,139	379,575	188,225
		748,568	618,417	583,928	281,612
<b>Creditors: amounts falling due within one year</b>	16	(272,451)	(142,400)	(328,441)	(26,225)
Net current assets		476,117	476,017	255,487	255,387
<b>Total assets less current liabilities</b>		4,930,250	4,930,250	4,799,357	4,786,820
<b>Provisions for liabilities</b>	17	-	-	(2,382)	-
<b>Net assets</b>		4,930,250	4,930,250	4,796,975	4,786,820
<b>Capital funds</b>					
Endowment funds - general	19	4,454,133	4,454,133	4,531,333	4,531,333
<b>Income funds</b>					
Restricted funds	20	8,004	8,004	4,798	4,798
General unrestricted funds		468,113	468,113	260,844	250,589
		4,930,250	4,930,250	4,796,975	4,786,820

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the Period ended 30 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 8 March 2023 and are signed on its behalf by:

P Carrington  
**Trustee**  
**Company Registration No. 08762956**

# CITY COLLEGE PETERBOROUGH FOUNDATION

## STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	24		126,951		205,368
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(16,716)	
<b>Net cash used in investing activities</b>			-		(16,716)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			126,951		188,652
Cash and cash equivalents at beginning of Period			379,575		190,923
<b>Cash and cash equivalents at end of Period</b>			506,526		379,575

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE PERIOD ENDED 30 MARCH 2022**

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### **1 Accounting policies**

#### **Charity information**

City College Peterborough Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is City College Peterborough, Brook Street, Peterborough, PE1 1TU, United Kingdom.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Group financial statements**

The financial statements consolidate the results of the charitable company and its subsidiary undertaking City Culture Peterborough Limited on a line by line basis. Intra-group sales and profits are eliminated fully on consolidation. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

#### **1.3 Going concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

In respect of the subsidiary company only:

All activities of the company were transferred out on 1 April 2022 and the company ceased trading. All debtors and creditors balances at the period end are in the process of being settled.

As a result, the directors have not prepared the financial statements on a going concern basis. No adjustments were necessary to the amounts at which the net assets are included in the financial statements.

#### **1.4 Charitable funds**

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### **1.5 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.



# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### 1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings	2% p.a. straight line
Computers	25% p.a. straight line

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 1 Accounting policies

(Continued)

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 2 Critical accounting estimates and judgements (Continued)

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Valuation of property

The property that was donated in the year ended 31 March 2020 has been included at a valuation calculated by Barker Storey Matthews, an independent valuer.

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2022 £	2022 £	2022 £	2021 £
Donations and gifts	444	3,206	3,650	674

### 4 Charitable activities

	2022 £	2021 £
Charitable rental income	290,160	133,563

### 5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Commercial operations in trading subsidiary	3,432,694	1,380,705

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 6 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Trading costs		
Commercial operations in trading subsidiary	3,442,849	1,370,550
	<u>3,442,849</u>	<u>1,370,550</u>

### 7 Charitable activities

	2022	2021
	£	£
Depreciation	77,200	51,467
Share of support costs (see note 8)	69,180	70,220
Share of governance costs (see note 8)	4,000	5,676
	<u>150,380</u>	<u>127,363</u>
<b>Analysis by fund</b>		
Unrestricted funds	73,180	75,896
Endowment funds - general	77,200	51,467
	<u>150,380</u>	<u>127,363</u>

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
NNDR	16,652	-	16,652	19,050	-	19,050
Insurance	5,536	-	5,536	3,931	-	3,931
Bank charges	96	-	96	49	-	49
Subscriptions	424	-	424	264	-	264
Service charges	68,040	-	68,040	45,360	-	45,360
Maintenance	-	-	-	1,566	-	1,566
Sundry	656	-	656	-	-	-
Overstatement of rates in prior year	(22,224)	-	(22,224)	-	-	-
Audit fees	-	4,000	4,000	-	4,000	4,000
Legal and professional	-	-	-	-	1,676	1,676
	<u>69,180</u>	<u>4,000</u>	<u>73,180</u>	<u>70,220</u>	<u>5,676</u>	<u>75,896</u>
Analysed between Charitable activities	<u>69,180</u>	<u>4,000</u>	<u>73,180</u>	<u>70,220</u>	<u>5,676</u>	<u>75,896</u>

Governance costs includes payments to the auditors of £4,000 (2021 - £4,000) for audit fees.

### 9 Employees

The average monthly number of employees during the Period was:

	2022 Number	2021 Number
City College Peterborough Foundation	-	-
City Culture Peterborough Limited	124	138
	<u>124</u>	<u>138</u>

Employment costs	2022 Charity £	2022 Subsidiary £	2022 Group £	2021 Group £
Wages and salaries	-	1,386,650	1,386,650	759,406
Social security costs	-	90,238	90,238	45,773
Other pension costs	-	132,804	132,804	88,415
	<u>-</u>	<u>1,609,692</u>	<u>1,609,692</u>	<u>893,594</u>

Included in the above wages and salaries costs are redundancy costs totalling £7,385 (2021 - £nil).

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

**FOR THE PERIOD ENDED 30 MARCH 2022**

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 12 Tangible fixed assets

Group	Freehold land and buildings £	Computers £	Total £
<b>Cost</b>			
At 1 April 2021	4,660,000	16,716	4,676,716
Disposals	-	(16,716)	(16,716)
At 30 March 2022	4,660,000	-	4,660,000
<b>Depreciation and impairment</b>			
At 1 April 2021	128,667	4,179	132,846
Depreciation charged in the Period	77,200	12,537	89,737
Eliminated in respect of disposals	-	(16,716)	(16,716)
At 30 March 2022	205,867	-	205,867
<b>Carrying amount</b>			
At 30 March 2022	4,454,133	-	4,454,133
At 31 March 2021	4,531,333	12,537	4,543,870
<b>Charity</b>			
<b>Cost</b>			
At 1 April 2021	4,660,000	-	4,660,000
At 30 March 2022	4,660,000	-	4,660,000
<b>Depreciation and impairment</b>			
At 1 April 2021	128,667	-	128,667
Depreciation charged in the Period	77,200	-	77,200
At 30 March 2022	205,867	-	205,867
<b>Carrying amount</b>			
At 30 March 2022	4,454,133	-	4,454,133
At 31 March 2021	4,531,333	-	4,531,333

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 13 Fixed asset investments

Group	Investment in subsidiary
<b>Cost or valuation</b>	
<b>Carrying amount</b>	
At 30 March 2022	-
At 31 March 2021	-
<b>Charity</b>	<b>Investment in subsidiary</b>
<b>Cost or valuation</b>	
At 1 April 2021 & 30 March 2022	100
<b>Carrying amount</b>	
At 30 March 2022	100
At 31 March 2021	100

The investment represents a 100% shareholding in City Culture Peterborough Limited, a company incorporated in England and Wales.

For details of the principal activity and results for the year, see note 11.

14 Financial instruments	Group 2022 £	Charity 2022 £	Group 2021 £	Charity 2021 £
<b>Carrying amount of financial assets</b>				
Trade debtors	233,633	174,061	112,381	76,700
Other debtors	2,566	2,566	31,115	7,963
Amounts due from subsidiary undertakings	-	1,808	-	3,719
Bank and cash	506,526	434,139	379,575	188,225
Measured at cost	742,725	612,574	523,071	276,607
Fixed asset investments	-	100	-	100
Measured at market value	-	100	-	100



# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

				(Continued)
14	Financial instruments	Group	Charity	Group Charity
	<b>Carrying amount of financial liabilities</b>			
	Trade creditors	15,276	-	40,337 80,674
	Accruals and deferred income	45,554	4,000	183,199 26,225
	Other creditors	191,832	119,644	76,719 -
	Other taxation and social security	19,789	18,756	28,186 -
	Measured at cost	272,451	142,400	328,441 106,899
15	Debtors	2022 Group	2022 Charity	2021 Group Charity
	<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Trade debtors	233,633	174,061	112,381 76,700
	Amounts owed by subsidiary undertakings	-	1,808	- 3,719
	Other debtors	2,566	2,566	31,115 7,963
	Prepayments and accrued income	5,843	5,843	60,857 5,005
		242,042	184,278	204,353 93,387
16	Creditors: amounts falling due within one year	2022 Group	2022 Charity	2021 Group Charity
		<b>£</b>	<b>£</b>	<b>£</b>
	Other taxation and social security	19,789	18,756	28,186 -
	Trade creditors	15,276	-	40,337 -
	Other creditors	191,832	119,644	76,719 -
	Accruals and deferred income	45,554	4,000	183,199 26,225
		272,451	142,400	328,441 26,225
17	Provisions for liabilities	2022 Group	2022 Charity	2021 Group Charity
		<b>£</b>	<b>£</b>	<b>£</b>
	Deferred tax liabilities	-	-	2,382 -
		-	-	2,382 -

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 18 Deferred taxation

Deferred tax assets and liabilities are offset where the charity has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2022 Group £	2022 Charity £	2021 Group £	2021 Charity £
<b>Balances:</b>				
Accelerated capital allowances	-	-	-	2,382
	==	==	==	==
<b>Movements in the Period:</b>				2022 £
Liability at 1 April 2021				2,382
Credit to profit or loss				(2,382)
				==
Liability at 30 March 2022				-
				==

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 19 Endowment funds

#### Group and Charity

Endowment funds represent assets which must be held permanently by the charity. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 April 2020	Incoming resources	Movement in funds				Balance at 1 April 2021	Incoming resources	Movement in funds				Balance at 30 March 2022
			Resources expended	Transfers	Revaluations				Resources expended	Transfers	Revaluations		
	£	£	£	£	£		£	£	£	£	£		£
<b>Permanent endowments</b>													
Property fund	4,582,800	-	(51,467)	-	-		4,531,333	-	(77,200)	-	-		4,454,133
	4,562,800	-	(51,467)	-	-		4,531,333	-	(77,200)	-	-		4,454,133

The property fund represents the net book value of the property that was donated by Peterborough City Council. Expenditure relates to depreciation to reduce the assets' useful economic life.

Income generated by this asset is recognised as unrestricted income.

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 20 Restricted funds

#### Group and Charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 April 2020	Incoming resources	Balance at 1 April 2021	Incoming resources	Balance at 30 March 2022
	£	£	£	£	£
Kingfisher Centre	3,788	-	3,788	-	3,788
Meet & Eat	1,010	-	1,010	-	1,010
College Learner Voice	-	-	-	3,166	3,166
White Ribbon	-	-	-	40	40
	<u>4,798</u>	<u>-</u>	<u>4,798</u>	<u>3,206</u>	<u>8,004</u>

Kingfisher Centre - this relates to funds raised in fundraising activities prior to Day Opportunities becoming part of City College Peterborough. The funds are for the purposes of purchasing specialist equipment for people we support at the Kingfisher Centre.

Meet & Eat - this relates to funds raised and expended for regular social dining events as part of the commUNITY Meet & Eat initiative.

College Learner Voice - this was a donation received to be used for seating and adults.

White Ribbon - this was a donation to be used for courses.

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 30 MARCH 2022

#### 21 Analysis of net assets between funds

Group	Unrestricted funds 2022	Restricted funds 2022	Endowment funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Endowment funds 2021	Total 2021
Fund balances at 30 March 2022 are represented by:								
Tangible assets	-	-	4,454,133	4,454,133	12,537	-	4,531,333	4,543,870
Current assets/(liabilities)	468,113	8,004	-	476,117	250,689	4,798	-	255,487
Provisions	-	-	-	-	(2,382)	-	-	(2,382)
	<u>468,113</u>	<u>8,004</u>	<u>4,454,133</u>	<u>4,930,250</u>	<u>260,844</u>	<u>4,798</u>	<u>4,531,333</u>	<u>4,796,975</u>
Charity								
Fund balances at 30 March 2022 are represented by:								
Tangible assets	-	-	4,454,133	4,454,133	-	-	4,531,333	4,531,333
Investments	100	-	-	100	100	-	-	100
Current assets/(liabilities)	468,013	8,004	-	476,017	250,589	4,798	-	255,387
	<u>468,113</u>	<u>8,004</u>	<u>4,454,133</u>	<u>4,930,250</u>	<u>250,689</u>	<u>4,798</u>	<u>4,531,333</u>	<u>4,786,820</u>

# CITY COLLEGE PETERBOROUGH FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 MARCH 2022

### 22 Related party transactions

During the period the charity recharged expenditure of £15,892 (2021 - £3,819) to its subsidiary, City Culture Peterborough Limited. At the period end £1,808 (2021 - £3,719) was due from City Culture Peterborough Limited.

### 23 Control

No one individual has overall control of the charitable company.

Peterborough City Council has significant influence over the activities of the subsidiary, City Culture Peterborough Limited. The Council agreed to fund the trading deficits incurred by the company. During the period City Culture Peterborough Limited received £2,203,952 (2021 - £1,001,877) for re-imbursement of costs incurred in excess of income received from third party trading.

24 Cash generated from operations	2022 £	2021 £
Surplus for the Period	133,275	17,029
Adjustments for:		
Depreciation and impairment of tangible fixed assets	89,737	55,646
Movements in working capital:		
(Increase) in debtors	(37,689)	(173,567)
(Decrease)/increase in creditors	(55,990)	303,878
Increase/(decrease) in provisions	(2,382)	2,382
<b>Cash generated from operations</b>	<b>126,951</b>	<b>205,368</b>

### 25 Analysis of changes in net funds

The charity had no debt during the year.

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