

Charity registration number 1154976

Company registration number 08762956 (England and Wales)

CITY COLLEGE PETERBOROUGH FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2023

CITY COLLEGE PETERBOROUGH FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	P Carrington C Higgins L Hull J Procter
Charity number	1154976
Company number	08762956
Registered office	John Mansfield Centre Western Avenue Dogsthorpe Peterborough United Kingdom PE1 4HX
Auditor	Azets Audit Services Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire United Kingdom PE1 2SP
Bankers	CAF Bank Limited PO Box 289 West Malling Kent United Kingdom ME19 4TA

CITY COLLEGE PETERBOROUGH FOUNDATION

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CITY COLLEGE PETERBOROUGH FOUNDATION

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 MARCH 2023

The directors present their annual report and financial statements for the year ended 30 March 2023.

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 year.

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 YEAR ENDED 30 MARCH 2023

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 year and up to the date of signature of the financial statements were:

P Carrington

T Hennessy

(Resigned 4 August 2023)

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 2 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 YEAR ENDED 30 MARCH 2023

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.

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C Higgins

Director

Dated: 20/12/2023

CITY COLLEGE PETERBOROUGH FOUNDATION

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 30 MARCH 2023

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 year.

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

Opinion

We have audited the financial statements of City College Peterborough Foundation (the 'charity') and its subsidiary for the year ended 30 March 2023 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 2023 and of its incoming resources and application of resources, for the year 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

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.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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.

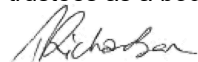
In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- 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 auditor's 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

20 December 2023
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Chartered Accountants
Statutory Auditor

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
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 INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 MARCH 2023

Current financial year

		Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
<u>Income from:</u>						
Donations and legacies	3	-	-	-	-	3,650
Charitable activities	4	308,850	-	-	308,850	290,160
Other trading activities	5	-	-	-	-	3,432,694
Investments	6	641	-	-	641	-
Total income		309,491	-	-	309,491	3,726,504
<u>Expenditure on:</u>						
Raising funds	7	-	-	-	-	3,442,849
Charitable activities	8	115,277	2,166	77,200	194,643	150,380
Total resources expended		115,277	2,166	77,200	194,643	3,593,229
Net movement in funds		194,214	(2,166)	(77,200)	114,848	133,275
Fund balances at 31 March 2022		468,113	8,004	4,454,133	4,930,250	4,796,975
Fund balances at 30 March 2023		662,327	5,838	4,376,933	5,045,098	4,930,250

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) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 MARCH 2023

Prior financial year

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

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 YEAR ENDED 30 MARCH 2023

	All income funds	
	2023	2022
	£	£
Gross income	309,491	3,726,504
Total expenditure from income funds	117,443	3,516,029
	<hr/>	<hr/>
Net income for the year	192,048	210,475
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CITY COLLEGE PETERBOROUGH FOUNDATION

BALANCE SHEET

AS AT 30 MARCH 2023

	Notes	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Fixed assets					
Tangible assets	14	4,376,933	4,376,933	4,454,133	4,454,133
Investments	15	-	100	-	100
		4,376,933	4,377,033	4,454,133	4,454,233
Current assets					
Debtors	17	275,274	279,065	242,042	184,278
Cash at bank and in hand		651,815	626,625	506,526	434,139
		927,089	905,690	748,568	618,417
Creditors: amounts falling due within one year	18	(258,924)	(237,625)	(272,451)	(142,400)
Net current assets		668,165	668,065	476,117	476,017
Total assets less current liabilities		5,045,098	5,045,098	4,930,250	4,930,250
Capital funds					
Endowment funds - general	19	4,376,933	4,376,933	4,454,133	4,454,133
Income funds					
Restricted funds	20	5,838	5,838	8,004	8,004
General unrestricted funds		662,327	662,327	468,113	457,858
		5,045,098	5,045,098	4,930,250	4,920,095

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 March 2023, 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 and are signed on its behalf by:



C Higgins

Trustee

Company Registration No. 08762956

CITY COLLEGE PETERBOROUGH FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	24		144,648		126,951
Investing activities					
Investment income received		641		-	
Net cash generated from/(used in) investing activities			641		-
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			145,289		126,951
Cash and cash equivalents at beginning of year			506,526		379,575
Cash and cash equivalents at end of year			651,815		506,526

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MARCH 2023

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 John Mansfield Centre, Western Avenue, Dogsthorpe, Peterborough, PE1 4HX, 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 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.

1.3 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.

1.4 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.

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.

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

1.5 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.

1.6 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
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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.

1.7 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).

1.8 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.

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

1 Accounting policies

(Continued)

1.9 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.

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.

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

3 Donations and legacies

	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2022 £	2022 £	2022 £
Donations and gifts	-	444	3,206	3,650

4 Charitable activities

	2023 £	2022 £
Charitable rental income	308,850	290,160

5 Other trading activities

	Total Unrestricted funds	
	2023 £	2022 £
Commercial operations in trading subsidiary	-	3,432,694

6 Investments

	Unrestricted funds	Total
	2023 £	2022 £
Interest receivable	641	-

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 MARCH 2023

7 Raising funds

	Total	Unrestricted funds
	2023	2022
	£	£
<u>Trading costs</u>		
Commercial operations in trading subsidiary	-	3,442,849
	-	3,442,849

8 Charitable activities

	2023	2022
	£	£
Depreciation	77,200	77,200
Share of support costs (see note 9)	112,443	69,180
Share of governance costs (see note 9)	5,000	4,000
	194,643	150,380
Analysis by fund		
Unrestricted funds	115,277	73,180
Restricted funds	2,166	-
Endowment funds - general	77,200	77,200
	194,643	150,380

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

9 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
NNDR	5,791	-	5,791	16,652	-	16,652
Insurance	4,836	-	4,836	5,536	-	5,536
Bank charges	87	-	87	96	-	96
Subscriptions	448	-	448	424	-	424
Service charges	68,040	-	68,040	68,040	-	68,040
VAT HMRC	2,251	-	2,251	-	-	-
Maintenance	27,759	-	27,759	-	-	-
Sundry	3,231	-	3,231	656	-	656
Overstatement of rates in prior year	-	-	-	(22,224)	-	(22,224)
Audit fees	-	5,000	5,000	-	4,000	4,000
	112,443	5,000	117,443	69,180	4,000	73,180
Analysed between Charitable activities	112,443	5,000	117,443	69,180	4,000	73,180

Governance costs includes payments to the auditors of £5,000 (2022 - £4,000) for audit fees.

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
City College Peterborough Foundation	-	-
City Culture Peterborough Limited	-	124
	-	124

Employment costs	2023 Charity £	2023 Subsidiary £	2023 Group £	2022 Group £
Wages and salaries	-	-	-	1,386,650
Social security costs	-	-	-	90,238
Other pension costs	-	-	-	132,804
	-	-	-	1,609,692

Included in the above wages and salaries costs are redundancy costs totalling £nil (2022 - £7,385).

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

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

11 Directors

None of the directors (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Commercial operations in trading subsidiary

The charity has one wholly owned trading subsidiary undertaking, City Culture Peterborough Limited which managed the theatre, arts, heritage, education, library and archive services for Peterborough City Council until 31 March 2022. The company was dormant from that date. A summary of its trading results is shown below. Audited accounts have been filed with the Registrar of Companies.

	2023	2022
	£	£
City Culture Peterborough Limited Profit & Loss Account		
Turnover	-	940,042
Cost of sales	-	(614,356)
Gross profit/(loss)	-	325,686
Administration expenses	-	(2,830,875)
Other operating income	-	2,492,652
Operating profit	-	(12,537)
Tax on profit	-	2,382
Profit on ordinary activities	-	(10,155)
	2023	2022
	£	£
City Culture Peterborough Limited Balance Sheet		
Fixed assets	-	-
Current assets	25,292	131,959
Current liabilities	(25,192)	(131,859)
Net current assets	100	100
Provision for liabilities	-	-
Total net assets	100	100
Aggregate share capital and reserves	100	100

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 MARCH 2023

14 Tangible fixed assets

Group and Charity

Freehold land and buildings £

Cost

At 31 March 2022

4,660,000

At 30 March 2023

4,660,000

Depreciation and impairment

At 31 March 2022

205,867

Depreciation charged in the year

77,200

At 30 March 2023

283,067

Carrying amount

At 30 March 2023

4,376,933

At 30 March 2022

4,454,133

15 Fixed asset investments

Group

Investment in subsidiary

Cost or valuation

Carrying amount

At 30 March 2023

-

At 30 March 2022

-

Charity

Investment in subsidiary

Cost or valuation

At 31 March 2022 & 30 March 2023

100

Carrying amount

At 30 March 2023

100

At 30 March 2022

100

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

15 Fixed asset investments

(Continued)

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries		-	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 12.

16 Financial instruments	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Carrying amount of financial assets				
Trade debtors	260,792	260,792	233,633	174,061
Other debtors	102	102	2,566	2,566
Amounts due from subsidiary undertakings	-	-	-	1,808
Bank and cash	651,815	579,428	506,526	434,139
Measured at cost	912,709	840,322	742,725	612,574
Fixed asset investments	-	100	-	100
Measured at market value	-	100	-	100
Carrying amount of financial liabilities				
Trade creditors	179,238	179,238	15,276	-
Accruals and deferred income	26,299	26,299	45,554	4,000
Other creditors	42,413	42,413	191,832	119,644
Other taxation and social security	10,974	10,974	19,789	18,756
Measured at cost	258,924	258,924	272,451	142,400

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

17 Debtors

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Amounts falling due within one year:				
Trade debtors	260,792	260,792	233,633	174,061
Amounts owed by subsidiary undertakings	-	3,893	-	1,808
Other debtors	102	-	2,566	2,566
Prepayments and accrued income	14,380	14,380	5,843	5,843
	<u>275,274</u>	<u>279,065</u>	<u>242,042</u>	<u>184,278</u>

18 Creditors: amounts falling due within one year

	2023 Group £	2023 Charity £	2022 Group £	2022 Charity £
Other taxation and social security	10,974	10,974	19,789	18,756
Trade creditors	179,238	179,238	15,276	-
Other creditors	42,413	42,413	191,832	119,644
Accruals and deferred income	26,299	5,000	45,554	4,000
	<u>258,924</u>	<u>237,625</u>	<u>272,451</u>	<u>142,400</u>

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

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 31 March 2021	Movement in funds			Movement in funds			Movement in funds			Movement in funds			Movement in funds			Balance at 30 March 2023
		Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 March 2022	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Incoming resources	Resources expended	Balance at 30 March 2023
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Permanent endowments																	
Property fund	4,531,333	-	(77,200)	-	-	4,454,133	-	(77,200)	-	-	-	(77,200)	-	-	-	(77,200)	4,376,933
	4,531,333	-	(77,200)	-	-	4,454,133	-	(77,200)	-	-	-	(77,200)	-	-	-	(77,200)	4,376,933

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 asset's 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 YEAR ENDED 30 MARCH 2023

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				
	Balance at 31 March 2021	Incoming resources	Balance at 31 March 2022	Resources expended	Balance at 30 March 2023
	£	£	£	£	£
Kingfisher Centre	3,788	-	3,788	-	3,788
Meet & Eat	1,010	-	1,010	-	1,010
College Learner Voice	-	3,166	3,166	(2,166)	1,000
White Ribbon	-	40	40	-	40
	<u>4,798</u>	<u>3,206</u>	<u>8,004</u>	<u>(2,166)</u>	<u>5,838</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 YEAR ENDED 30 MARCH 2023

21 Analysis of net assets between funds

Group

Group	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Fund balances at 30 March 2023 are represented by:								
Tangible assets	-	-	4,376,933	4,376,933	-	-	4,454,133	4,454,133
Current assets/(liabilities)	662,327	5,838	-	668,165	468,113	8,004	-	476,117
	662,327	5,838	4,376,933	5,045,098	468,113	8,004	4,454,133	4,930,250

Charity

Charity	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Fund balances at 30 March 2023 are represented by:								
Tangible assets	-	-	4,376,933	4,376,933	-	-	4,454,133	4,454,133
Investments	100	-	-	100	100	-	-	100
Current assets/(liabilities)	662,227	5,838	-	668,065	468,013	8,004	-	476,017
	662,327	5,838	4,376,933	5,045,098	468,113	8,004	4,454,133	4,930,250

CITY COLLEGE PETERBOROUGH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 MARCH 2023

22 Related party transactions

During the period the charity recharged expenditure of £nil (2022 - £15,892) to its subsidiary, City Culture Peterborough Limited. At the period end £3,893 (2022 - £1,808) was due from City Culture Peterborough Limited.

During the year rental income of £308,850 (2022 - £290,100) was received from City College Peterborough. Included in debtors at the year end is £260,790 (2022 - £174,060) due from City College Peterborough.

Service charges to cover maintenance, finance, and other services of £68,040 (2022 - £68,040) were charged by City College Peterborough to the charity during the year. Included in creditors is £162,738 (2022 - £119,544) payable to City College Peterborough.

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 £nil (2022 - £2,203,952) for re-imbursement of costs incurred in excess of income received from third party trading.

24 Cash generated from operations	2023 £	2022 £
Surplus for the year	114,848	133,275
Adjustments for:		
Investment income recognised in statement of financial activities	(641)	-
Depreciation and impairment of tangible fixed assets	77,200	89,737
Movements in working capital:		
(Increase) in debtors	(33,232)	(37,689)
(Decrease) in creditors	(13,527)	(55,990)
(Decrease)/increase in provisions	-	(2,382)
Cash generated from operations	144,648	126,951

25 Analysis of changes in net funds

The charity had no debt during the year.