

CREATE ARTS.ORG.UK
CHARITY OF THE YEAR 2020

**CREATE (ARTS) LIMITED
FINANCIAL STATEMENTS**

for the year ended

31 MARCH 2021

lff LINDEYER
FRANCIS
FERGUSON

CREATE (ARTS) LIMITED

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Company Number	4728145
Charity Registration Number	1099733
Chairman	Eddie Donaldson OBE
Chief Executive	Nicky Goulder
Company Secretary	Vanessa Sharp
Treasurer	Paul Thimont
Registered Office	379 Salisbury House London Wall London EC2M 5QQ
Email	info@createarts.org.uk
Telephone (London / Manchester)	020 7374 8485 / 0161 521 0033
Website	createarts.org.uk
Facebook	facebook.com/createarts.org.uk
Instagram / Twitter	@createcharity
Bankers	The Co-operative Bank plc 1 Balloon Street Manchester M60 4EP
Auditors	Lindeyer Francis Ferguson Limited North House 198 High Street Tonbridge Kent TN9 1BE

INDEX TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

	Page
Directors' report	1
Statement of Directors' responsibilities	14
Auditors' report	15
Statement of financial activities	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21

CREATE (ARTS) LIMITED

Directors' Report

The Trustees, who are also Directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 March 2021. The Trustees confirm that the report and financial statements of the charity comply with the current statutory requirements, the requirements of the company's governing document, and the provisions of "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) (Charities SORP (FRS 102)).

Objectives and Activities

Charitable objects

- 1) to advance and promote the education of the public in the knowledge, understanding and appreciation of the arts.
- 2) to promote the use of the arts, particularly the creative arts, as a way of:
 - a) relieving the needs of the poor, sick, disabled, elderly and young people who are in need of care and attention;
 - b) rehabilitation of offenders;
 - c) relieving the needs of the unemployed.

Vision

For a fair, caring, equal, inclusive, sustainable society in which the creative arts play a transformative role in empowering every individual to fulfil their potential.

Mission

To use the creative arts to connect, empower, inspire and upskill society's most disadvantaged and vulnerable people, raising aspirations, building self-esteem, reducing isolation and enhancing wellbeing.

Core beliefs

- That everyone – regardless of circumstances, behaviour, age, gender, race or disability – deserves the chance to fulfil their potential.
- That high-quality creative arts activities connect, empower, inspire and upskill, raising aspirations, building self-esteem, reducing isolation and enhancing wellbeing.
- That everyone has a role to play in making society fairer, more caring, more inclusive and more sustainable.

Values

Create is a values-driven charity. Our values underpin the way we work with our participants, partners, people and community. They guide the decisions we make and the way we work.

- **Creativity** ~ encouraging a creative approach to every area of our performance
- **Excellence** ~ seeking to attain the highest standards in all activities
- **Valuing the individual** ~ recognising and nurturing each individual's unique talents
- **Passion** ~ being passionate in our motivations and performance
- **Flexibility** ~ listening and responding creatively to all stakeholders' needs
- **Integrity** ~ embedding integrity in all we do

CREATE (ARTS) LIMITED

Directors' Report (continued)

Aims

- To tackle inequality by giving society's most disadvantaged and vulnerable people free access to the benefits of the creative arts.
- To engage participants in tailored projects led by exceptional professional artists in areas where provision is poor and engagement is low.
- To listen to, advocate for and give a voice to participants.
- To connect, empower, inspire and upskill participants, developing creativity, raising self-esteem, enriching lives, reducing isolation and enhancing wellbeing.
- To promote the value of creative arts engagement in achieving social outcomes.
- To provide high quality, fairly paid work and CPD to a diverse pool of professional artists.
- To create a society that is fairer, more caring, more inclusive and more sustainable.

Create is the UK's leading charity empowering lives, reducing isolation and enhancing wellbeing through the creative arts

We know that unleashing creativity ignites imaginations, develops confidence and builds relationships. Like setting off a firework, our professional artists light the touch paper and our participants discover newfound self-belief and a desire to try more, do more and be more.

We are a national charity that champions local priorities by collaborating with our partners to tailor every project to each individual's needs. We believe that everyone – regardless of circumstances, behaviour, age, gender, race or disability – deserves the chance to fulfil their potential. Most projects are collaborations with community partners, which have specialist knowledge of local priorities and the participants that they exist to serve.

Our focus is on engaging the most marginalised participants in inspiring, sustainable arts programmes – delivered in familiar settings where they feel comfortable and safe – in areas where provision is poor and engagement in the arts is therefore low. We prioritise our work with seven participant groups: young patients; disabled children and adults; young and adult carers; schoolchildren (and their teachers) in areas of deprivation; vulnerable older people; young and adult prisoners (and their families); and marginalised children and adults (eg homeless people, LGBTQ+ young people, refugees, and victims of domestic abuse).

In response to the COVID-19 lockdown in March 2020, we designed **Create Live!**, a new project concept using Zoom to deliver high quality, live, interactive, collaborative creative workshops that are fun, build skills and reduce isolation.

Since Create was founded in July 2003, we have run 11,076 creative arts workshops that have delivered 317,504 contact hours as part of sustained, life-changing programmes with 40,172 participants.

Some of our programmes are developed and delivered in partnership with the business community, helping to meet their Corporate Responsibility priorities. Every project we deliver is rigorously evaluated because we're passionate about providing inspiring and empowering creative experiences that have a lasting impact. We also evaluate the longer-term impact of our work through the *Making it Matter* initiative, which revisits two projects each year, 6-24 months after they took place.

We know from experience that drama can build an isolated young carer's self-esteem, that storytelling can strengthen the bond between a young offender and the loved ones waiting for him at home, and that music can help ease the anguish felt by the parent of a child with a life-limiting condition.

One spark of creative energy opens up a world of positive opportunities.

Create lights that spark.

CREATE (ARTS) LIMITED

Directors' Report (continued)

Public Benefit

In setting Create's objectives and planning its activities, the Trustees have considered the Charity Commission's general guidance on public benefit. As noted elsewhere in this report, the charity's work is directed towards the most disadvantaged and vulnerable people in society and outcomes for the public benefit are recorded here in detail.

Project participants

To fulfil Create's commitment to working with the most disadvantaged and vulnerable people, each potential community partner is carefully researched to assess the extent to which it enables the charity to meet this objective. Where applicable, Create uses poverty indices and government statistics on areas of deprivation to find the geographical areas of greatest need. When choosing schools, it also considers the percentage of children who bring pupil premium / are entitled to free school meals (key poverty indicators), use English as an additional language or have special educational needs. The level of vulnerability of the participants is always a key consideration, as is the extent to which the community partner already benefits from provision by other external agencies. Create's preference is to work with organisations that are under-served.

In 2020/21, 1,303 participants benefited from Create's projects. These included: young and adult carers; adults with mental ill-health; disabled children and adults; young refugees; LGBTQ+ young people; homeless adults; and vulnerable older people. Create worked with (where data provided):



Volunteers

81 volunteers donated 649 hours of their time to Create: using their skills and enthusiasm to support participants in **Create Live!** workshops; and providing expert guidance as Trustees or Advisory, Communications, Creative or Development Council members. Pro bono communications support was donated by BrandFormula / WHJE, Contagious and Fat Beehive; consultancy by VCCP; and HR software by Breathe.

CREATE (ARTS) LIMITED

Directors' Report (continued)

Achievements and Performance



Thirty-three professional Create artists ran 19 programmes (an umbrella body of work) within which 59 projects (a series of workshops with one or more community partners) were designed. These delivered 938 workshops/14,133 contact hours with 1,303 participants; and were rated "successful overall" by 99% of community partner staff.

COVID-19 had a profound effect on Create's participants, many of whom were already experiencing social isolation/poor mental wellbeing. Further, many of Create's professional artists lost all work overnight. Create's mission to connect and enrich lives had never been more important yet the pandemic resulted in all in-venue workshops being cancelled.

Having worked tirelessly for two weeks after lockdown, Create launched its online delivery mechanism – **Create Live!** – on 07/04/20. In that fortnight, the concept of delivering interactive creative arts projects digitally was devised, consulted on (with community partners, participants and artists), planned, trialled, safeguarded and evaluated. By shifting its model online, Create continued to deliver high-quality projects with its participants, recording the busiest year in its history.

The charity adapted its safeguarding/safety protocols to ensure participants' online safety. It also worked closely with its community partners to enable participants to connect to projects via **Create Live!**; and to share online delivery learning. This helped partners (and the sector more widely) to develop their own digital delivery early in lockdown. *"We've learned everything we know about Zoom from Create; we are using it ourselves now regularly for activities: baking next week!"* CEO, MYTIME Young Carers (05/20).

Create developed a partnership with Carers Trust, the UK's leading organisation representing young/adult carers, enabling it to deliver 14 new projects across the UK via **Create Live!**, as well as a showcase on Young Carers Action Day that put young carers centre stage. Partnerships with Age UK and The Honeypot Children's Charity were also developed, helping Create to reach increasing numbers of the most isolated participants.

In 03/21, the charity held an online showcase to celebrate its environmental project *changing:minds*, with all five special educational needs schools/units in the London Borough of Harrow. The showcase featured the spectacular environmental artwork, dance and drama created over several months by 111 children and young people.

Photography and writing created during Create's *Speak With My Voice* project by adults who attend Deptford Reach – and are vulnerable through homelessness, mental ill-health, loneliness, social exclusion and severe poverty – was displayed in a window exhibition at Deptford Lounge between December 2020 and April 2021. This raised their self-esteem and gave them a voice.

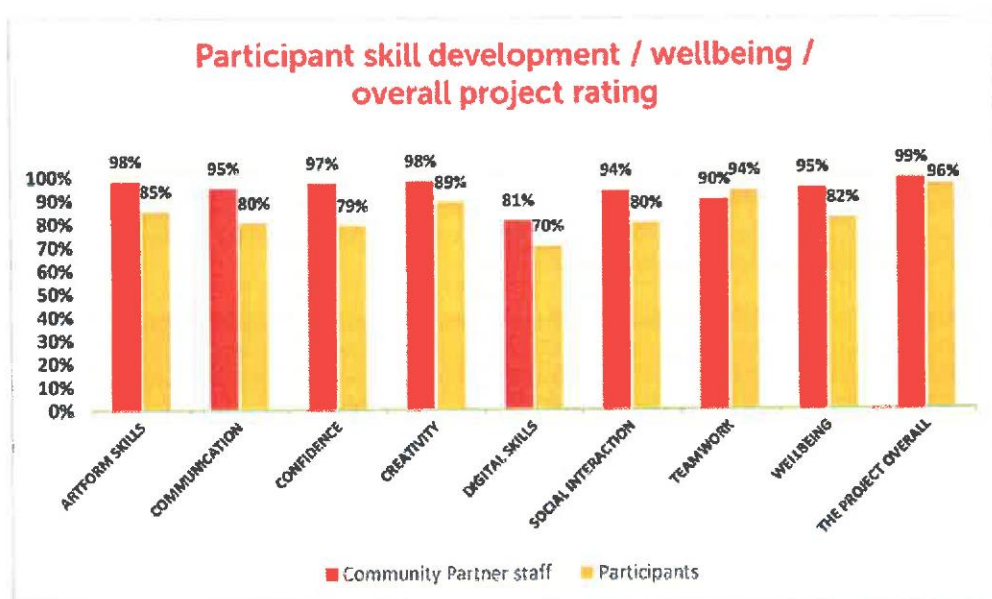
Create is committed at all levels to rigorous, honest evaluation. Each project is individually designed to meet partners' unique needs; clear, relevant intended outputs/outcomes are agreed; and the project is then evaluated against these. Planning and debrief meetings start and conclude each project and Create

CREATE (ARTS) LIMITED

Directors' Report (continued)

has a 100% feedback policy, with feedback being collected wherever possible from all participants, community partner staff, volunteers and Create artists. Projects are monitored through verbal communication, observation of workshops and written response through questionnaires; and qualitative and quantitative feedback is used by Create to produce an evaluation report that assesses the extent to which the project aims and intended outputs/outcomes have been met. This is the primary means by which formal feedback from each project is disseminated, reports being sent to the community partners, artists and funders, and used by Create in the planning of all future projects.

As part of the evaluation process, community partner staff and participants are asked to rate the success of Create's projects in enabling the participants to develop a range of key skills and enhanced wellbeing, and to appraise the success/enjoyment of their project overall. The results across all projects during the year, shown in the graph below, demonstrate that participants' skill development was rated successful by between 81% and 99% of community partner staff and by 70% and 96% of participants.



In addition to each post-project evaluation, an evaluation consultant revisits two projects each year 6-24 months after they have been delivered to evaluate their longer-term impact on participants, an initiative called *Making it Matter*. During 2020/21, Create focused on its work with young carers across the UK, both in-venue (before lockdown) and via **Create Live!**. The study found that projects had a lasting impact on young carers, more critical than ever during the pandemic with reduced education and increased isolation affecting attainment levels and mental health. Projects enabled carers to build long-term friendships, enhanced social skills, reduced isolation, improved wellbeing and built self-confidence. They increased participants' creativity and artform (eg: music) skills and inspired many to engage in further creative activities. They also changed some carers' perception of their caring role.

Just three weeks after lockdown, Create provided **Create Live!** training, ensuring artists and project managers were upskilled in delivering rigorously safeguarded workshops via Zoom. It also provided its artists and project team with free learning, skill-building and networking opportunities at Artist Sharing events that took place online in May and November. With external speakers and artist-led workshops, these sessions focused on delivering financial literacy projects with young carers (May) and on wellbeing (November/December). Artists commented *"The training was in-depth and allowed me to visualise how sessions [via Zoom] will work" "I feel more informed about safeguarding on Zoom because of a number of approaches that were discussed."* *"It's given me an entirely new workshop I can deliver" "It tied together my personal wellbeing, how I can encourage wellbeing among participants and how I can explore wellbeing creatively with others."*

CREATE (ARTS) LIMITED

Directors' Report (continued)

Create ran the fifth year of *Nurturing Talent*, a programme over 12 months designed to upskill emerging artists who wish to combine a professional artistic practice with creative workshop delivery in community settings. Six artists benefited from: a bursary; four tailored training days delivered by an experienced Create artist; two Artist Sharing events; the opportunity to develop and deliver a workshop collaboratively; and work as a supporting artist on circa 36 workshops across a variety of projects, enabling them to gain experience in a range of community settings alongside different Create artists. One Nurturing Talenter commented: *My confidence seems to increase after each project, as I feel that I am constantly learning, developing and improving."*

Create's income was secured via public sector grants from Arts Council England and Greater London Authority; the development of new relationships (with organisations including: The Ashley Family Foundation; Carers Trust; Chartered Accountants' Livery Charity; Deptford Challenge Trust; Masonic Charitable Foundation; Network for Social Change; Ooh Deer; People's Postcode Lottery/Postcode Community Trust; The Portal Trust; Wates Foundation); the strengthening of significant existing relationships (including: Ashurst LLP; BBC Children in Need; British Land; First Sentier Investors; Garfield Weston Foundation; John Lyon's Charity; The Lovington Foundation; The Mercers' Company; Prudential plc; Raise Your Hands; Reed Smith LLP; The Rumi Foundation; The Taylor Family Foundation); the generous support of dozens of other trusts, foundations, companies and individuals; community fundraising; and events.

Create won a charity appeal on BBC Radio 4, broadcast in 09/20, which was read by comedian, actress and writer Isy Suttie. The appeal, featuring young carer Abi's story, raised almost £40k for the charity's work with carers. Isy Suttie has since become a Create Patron.

Create worked with ITV for its ITV Creates project, bringing together young carers to reimagine the ITV logo. Working with Create artist Amy Leung, the young carers built the letters I, T and V out of blocks that were decorated with artwork they had created exploring their wellbeing. The whole process was filmed and aired on ITV as an ident between programmes from 10-16/08/20.



The charity launched a new fundraising challenge event - the CRE8IN8 - in which runners ran a daily set distance of either 8k or a half-marathon from 1-8/08/20. Combined, they raised £13k to support Create's work. Other community fundraisers included: Soup 13, an established event in the advertising industry; a triathlon held by Heron Financial; and a donation from the Private Goodness book club.

The pandemic forced Create to redesign its annual Gala Dinner as a digital event, giving intimate access to its Patron/internationally acclaimed percussionist Dame Evelyn Glennie (who improvised on weird and wonderful instruments from her studio) and young carer Abi, who was announced as Create's first Youth Ambassador on the evening. The event raised £47.1k, the second-highest total in 17 years.

The *Create the Difference* individual and business membership schemes provide highly valued unrestricted financial support to underpin the charity's work, enabling it to plan with confidence. Create thanks the following members (and all who wish to remain anonymous) who together donated over £53k:

CREATE (ARTS) LIMITED

Directors' Report (continued)

Business Members: Innovators ~ Yellow Cat Recruitment. **Collaborators** ~ Lauren Dickinson Clarke, Michael O'Mara Books, Uncommon London. **Individual Members: Champions** ~ Alistair DK Johnston CMG, Tim & Claire Jones. **Catalysts** ~ Anne Baldock, Eddie Donaldson OBE, Whitney Gore. **Curators** ~ Tony Cates, Gareth Davies, Philip Emery, Adam McNeeney, Alan Paul, Colin Sheaf, Mark Sismey-Durrant. **Community** ~ Ozge Balk, Isabella Bragoli, Joanna Brendon, John Broadis, Zoe Brooks, Elizabeth Dossett, Bonnie Gilmore, Nicky Goulder, Natalie Graeme, Hayley Granston, Sean Hanson, Richard Holman, Dr RC Hooker, Sonja Jutte, Sally Horsington, Edmond Kamara, Paul Kemp-Robertson, Ben Knight, Tim Leeson, William Lidstone, Michael Litman, Michael Llewelyn-Jones, Julie Mernick, Marit Meyer-Bell, Tom Newman, Ben Newton, Mr M D J Quintrell, Alex Rawlings, Isabel Santaolalla, Richard Schrieber, Vanessa Sharp, Lara Sherwin, Emily Stubbs, Louise Stubbings, Jim Thornton, Carol Topolski, Michael Topolski, Zelig Walker, Natt Wallbank.

A vital part of Create's work is its partnerships with the business community, which enables companies to meet their Corporate Responsibility objectives while helping Create to achieve its mission. Companies including Ashurst LLP, British Land, Deutsche Bank, First Sentier Investors and Reed Smith LLP provided volunteers to support projects that they funded, bringing a wealth of experience and expertise to workshops, acting as positive role models for the participants, and developing new skills and experiences to take back to their virtual workplace. Access to workshops also helped to enhance volunteers' connectivity and wellbeing during a year of isolation for so many. Create also launched **Create Live! For Business**, which enabled businesses to buy an online Create workshop to improve employees' connectivity and wellbeing, while also funding one for Create's participants.



Create's work was recognised with a series of prestigious awards:

charitytimes Awards

Recognising leadership and professionalism

Winner
Charity of the Year

- Charity Times *Charity of the Year*: with an income of less than £1 million
- Five Koestler Awards for its *Inside Stories* prison programme (connecting prisoners with their children through storytelling/music)
- Legal Week CSR Innovation (Collaboration) Award (Ashurst/Create) for its *creative:engagement* project (creatively connecting older people)

Create increased its profile through high quality, targeted communications that continued to position the charity as a leader in its field and the Chief Executive as an expert voice. This helped to raise the profile of the challenges faced by the charity's participants and the importance of the creative arts to connect, empower, inspire, upskill and enhance wellbeing. Create's involvement with the ITV Creates initiative, for which young carers reimagined the ITV logo, secured press coverage on the Campaign and Little Black Book websites; and a fundraising campaign led by Scottish rock band Biffy Clyro, for which they created a music video and T-shirts championing the value of creativity, was covered in NME and Rock Sound. The Chief Executive appeared on Mariella Frostrup's Times Radio show to discuss the importance of art and creativity, and had a blog published on the Arts Council England website about adapting participatory arts activities during lockdown. Her speaking engagements included a presentation on "Innovation Day" at Carers Trust's national conference.

CREATE (ARTS) LIMITED

Directors' Report (continued)



Key Groups / Example Projects

During the year, Create developed and delivered 59 projects, examples of which are included below. The lockdown prevented its work in both prisons and children's psychiatric units. Both will be restarted in the new financial year.

Led by Create's professional artists, Create's projects connected, empowered, inspired and upskilled all participants, raising aspirations, building self-esteem and enhancing wellbeing. They also ...

Disabled adults	... improved social skills, provided means of self-expression and built self-confidence
-----------------	---

"Meeting new people and making music made me feel better." Participant

Create's *more:creative* project enabled 27 adults with learning disabilities from Bede House in the London Borough of Southwark to explore their creativity through high-quality music and visual art workshops, delivered via **Create Live!**. Coming together remotely, they reconnected with their peers, reducing isolation; learnt new skills; and built confidence, enhancing wellbeing.

Disabled children	... learnt about the environment through the creative arts
-------------------	--

"There was something for everyone – not just for one particular type of child. It was for everyone of all different abilities." Participant's mother

The second year of Create's three-year *changing:minds* environmental project comprised 60 comic book, dance, drama and visual art workshops, delivered via **Create Live!** with 111 children from the five special needs schools/units in the London Borough of Harrow. It culminated in an online Showcase.

Create's *creative:explorers* project enabled 134 children with special educational needs at seven schools in Essex, London and Salford (Greater Manchester) to explore their creativity and self-expression.

Adult carers	... provided a social outlet through which to take a break from caring and build trusting relationships, reducing isolation
--------------	---

"I think carers need the opportunity to be creative, to step outside themselves and to explore the world outside. It's life-changing and life-enhancing." Participant

Create's *creative:voices* project delivered via **Create Live!** enabled 158 adult carers in England and Scotland to explore their creativity while taking a break from their caring responsibilities, building trusting relationships with other carers who understand their situation, and developing communication skills and confidence. Many projects brought carers from different geographical locations together.

CREATE (ARTS) LIMITED

Directors' Report (continued)

Young carers	... enabled young carers to take a break, build resilience, and learn about money in the home.
--------------	--

"I think projects like this are good for young carers because they refresh their minds. I can take a break just until 3 o'clock and then go back to helping mum or dad. I feel like I have taken a big break and I feel refreshed." Participant

Create worked with 22 young carer services across England and Wales, delivering 567 workshops via **Create Live!** These enabled 672 young carers to develop their skills, enhance their creativity, build their confidence, connect with other young carers and enjoy a break from their caring responsibilities.

"The workshops have helped me learn the value of money. When you're growing up, you don't realise how much or how little money you have, or how it works in the real world." Participant

change:matters is Create's new programme that takes a creative approach to upskilling young carers about money and family finances. Delivered via **Create Live!**, Create enabled 116 young carers to learn these new skills through music, photography, radio drama or graphic novel; and created a new resource bank on its website.

LGBTQ+ young people	... encouraged self-expression and built a sense of community
---------------------	---

"We do a lot of workshops with Create because creativity is a really great way to provide support." Community partner

creative:together comprised a six-week zine-making project with LGBTQ+ people aged 16 to 25 from the London Boroughs of Croydon, Lewisham and Sutton, delivered via **Create Live!**. The project offered participants an opportunity to develop their creative thinking and self-expression in a safe environment while reflecting on the legacy of *Pride* and what it means to live as an LGBTQ+ young person today. It also enabled them to connect, build skills and share their experiences through writing and visual media.

Older people	... reduced isolation, fostered imagination and increased self-worth
--------------	--

"It's very meaningful to have the freedom to express myself. This project has been like much-needed therapy." Participant

Create ran five programmes in London that empowered older participants to express themselves creatively, learn new skills, feel less lonely and have fun. Online and telephone-based solutions via **Create Live!** were trialled and tailored to ensure participants could join in the workshops safely during the pandemic.

Vulnerable adults	... broadened horizons and promoted self-expression
-------------------	---

"It's helped to be a sanctuary of sanity through the pandemic." Participant

Create's *Speak With My Voice* project brought together 17 participants who attend Deptford Reach, a day centre in the London Borough of Lewisham serving local people who are vulnerable through homelessness, mental ill-health, loneliness, social exclusion and severe poverty. The socially distanced in-venue project empowered them to express themselves through photography and writing, and culminated in a four-month exhibition at Deptford Lounge.

CREATE (ARTS) LIMITED

Directors' Report (continued)



Plans for 2021/22

Create will embark on its ambitious new five-year strategy from 04/21 with the aim of doubling the reach and impact of its work by 03/26; and establishing a new hub in Manchester that will enable it to reach increasing numbers of the most disadvantaged and vulnerable children and adults across the North West.

Its participants will remain the driving force behind the charity's work and Create will continue to meet its commitment to developing sustained, life-changing programmes by returning to many of the carer services, schools, day centres and other community settings with which it collaborated during 2020/21. It will also return to settings that COVID-19 lockdown made impossible: prisons (where technology is banned and **Create Live!** delivery was therefore unfeasible); and children's psychiatric hospital units (that were closed).

Create has a series of important new initiatives planned that will extend its work geographically and with new partners. It will expand its work with disabled children, young and adult carers and vulnerable older people from its new NW hub, reaching participants in areas of high deprivation across Greater Manchester, Merseyside and beyond. It will expand its prison work with the launch of *My Dad's In Prison*, enabling fathers to create an illustrated book to help children understand why dad is away from home. It will expand its *creative:tandem* programme for young patients with severe emotional or behavioural disorders to two new adolescent psychiatric hospitals, at a time when mental health support for young people has never been more critical. Other new projects are being explored and developed.

With the climate crisis arguably the most significant global challenge over the next decade and beyond (COVID-19 aside), there is an urgent need to educate people on environmental issues. Create has taken its environmental responsibility seriously for 18 years, both operationally and via projects. In line with its Environmental Policy, it will continue to promote the need for environmental responsibility, reviewing the targets set out in its Green Action Plan and taking an innovative approach to leading change. Its three-year *changing:minds* environmental programme working at all five special schools/units in Harrow culminated in 11/21. It will fundraise during the year to launch two new environmental programmes to upskill children from 2022: *environment:matters* and *environment:tales*.

As the COVID-19 lockdown eases, Create will offer community partners a blended approach of **Create Live!** and in-venue projects, enabling them to choose the most appropriate way for their participants to access workshops. For those participants who are unable to leave home, due to their caring responsibilities, frailty, mental illness or sickness, for example, being able to join workshops over Zoom helps to keep them connected, empowered, inspired and upskilled, reducing isolation and enhancing wellbeing.

Alongside the evaluation of each project at its culmination, the charity's *Making it Matter* initiative will revisit two projects during the year that completed 6-24 months previously, to assess the longer-term impact on participants.

Artist development will remain a priority for Create, with six-monthly Artist Sharing events continuing to provide an opportunity for its professional artists to network, develop new skills and share best practice.

CREATE (ARTS) LIMITED

Directors' Report (continued)

Taking place in May and November 2021, the first of these will focus on sustainability/the environment. Eight artists have been accepted onto the *Nurturing Talent* programme, which upskills emerging artists, enabling them to acquire experience and to benefit from high-quality mentoring, training and practical workshop assistance.

Planned fundraising events during the year include: a team of runners taking part in CRE8IN8 in 08/21; and an event at White Cube art gallery during 03/22. A number of community fundraising events are also scheduled to take place.

Create's office lease terminates on 24/12/21 and the charity has therefore found new premises nearby. In assessing future needs, it has considered a blended approach of home and office working. Staff wellbeing and the charity's Green Action Plan have also played an important role in decision-making.



Reserves policy

The aim of Create's reserves policy is to ensure that its ongoing and future activities are reasonably protected from unexpected variances in income and expenditure. The Trustees regularly review the levels of unrestricted reserves and perform a full review annually. This considers the financial risks associated with different income streams, expenditure categories and balance sheet items together with Create's ability to meet these from realisable funds. Create monitors a range of measures related to its income and expenditure profile, risks faced and cash flow in developing an unrestricted reserves target. On this basis, the Trustees aim to maintain free unrestricted reserves of 4-6 months of projected operational costs. Unrestricted reserves at 31/03/21 were £684,372, of which £150k is held in a designated fund to support three key one-off strategic costs: CRM system; website; office move. The balance of £534,372, represents 5.4 months of projected expenditure for 2021/22.

This crucial level of reserve – given the uncertainty resulting from the impact of COVID-19 and Brexit, and the uncertainties in the global economy – together with restricted reserves at 31/03/21 of £504,074 (funding received in advance that has been given for a specific purpose and is tied to specified projects or activity taking place in future financial years), provide the charity with a strong balance sheet and cash position. The Directors therefore consider the funding of the activities of the charity to be secure for the following 12 months and beyond.

Structure, governance and management

Company Status

The company is incorporated by guarantee and has no share capital. Each of the members has guaranteed to meet debts of £1 in the event of a winding up. The company was incorporated on 09/04/03 and is governed by a memorandum and articles of association. The company is also a registered charity.

Appointment and induction of Directors

Create's Board of Directors has a wealth of experience that covers the arts, business, community and education sectors. New Directors are appointed to the Board by the current Directors, who are also members of the company.

CREATE (ARTS) LIMITED

Directors' Report (continued)

The Chief Executive inducts new Directors through a process of briefings. They are provided with key information relating to the charity's governance and operations, and undertake a DBS check and safeguarding training. The Directors meet at least quarterly and attend projects and events. The Communications, Creative, Development and Finance Councils are each chaired by a member of the Board.

Key management personnel

Day to day operations are managed by the Chief Executive, Nicky Goulder and her team of 16 staff. Five of these are on the Senior Management Team: Director of Communications; Deputy Director of Development; Director of Development; Director of Finance & Operations; Senior Project Manager.

New staff have a six-monthly appraisal; all staff have an annual appraisal against SMART objectives set. The Staff Handbook provides information on internal policies and procedures.

Once a year, the Chairman agrees any staff salary increases, which have reference to any rise in the cost of living and any increase in responsibilities. As appropriate, staff salaries are benchmarked against the sector.

Fundraising

Create has a fundraising team of four who work closely with the Chief Executive. Funding bids are carefully researched, developed and submitted to trusts/foundations and public sector bodies, matching their funding criteria with Create's work. Corporate partnerships are developed with businesses, carefully matching their corporate responsibility objectives with Create's charitable objectives. Increasingly, Create is approached and works with organisations to co-create partnerships with mutual benefit. Create works on a personalised basis with individuals who have expressed interest in its work. It does not seek to raise funds from the wider public.

Create has received no complaints about this or any other approach to fundraising.

Risk management

The Directors consider the key risks to which the charity is exposed. In addition, a detailed risk register is maintained by the Director of Finance & Operations and reviewed annually by the Directors to assess the detailed risks and the systems in place to mitigate them. Examples of the key risks faced by Create and their mitigation are provided below:

- **Loss of the Chief Executive**
In a charity of this size and history the Chief Executive's continuing commitment and resilience underpins its capacity to deliver its business plan.

Mitigation: A Senior Management Team covers the core areas of communications, finance, fundraising, operations and projects, and provides support to the Chief Executive as well as continuity in times of absence. As the charity continues to grow that resource is monitored.
- **Reputational damage**
The charity's reputation is paramount and it works hard to maintain and enhance it.

Mitigation: High quality programmes are delivered by exceptional artists and meticulously evaluated; a rigorous Safeguarding Children & Vulnerable Adults policy is in place; risk assessments are carried out with community partners for every project.
- **Lack of funding**
Funding is critical to the continued operations of the charity and in a continuously evolving environment, particularly with the challenges presented by COVID-19, it needs to be alert to changing funding demands and policies.

Mitigation: The Chief Executive has a proven fundraising track record; fundraising has been strengthened with a Development Council, and Development team of four; longer-term funding is

CREATE (ARTS) LIMITED

Directors' Report (continued)

being developed; Create has a proven ability to meet fundraising targets.

- **Poor staff wellbeing**

Staff wellbeing is crucial in a small, ambitious charity that delivers an extensive programme each year with disadvantaged and vulnerable participants.

Mitigation: Staff wellbeing is central to the charity's people strategy and an increased priority during lockdown with the team dispersed due to home working. Initiatives have included wellbeing training; creative activities; additional leave; and regular socials.

Directors and their interests

The following served as Directors during the year:

John Broadis
Tony Cates (appointed 30/06/20)
Eddie Donaldson OBE
Tim Jones
Marit Meyer-Bell
Vanessa Sharp
Paul Thimont
Carol Topolski

The Directors are also the Trustees for the purpose of charity law.

CREATE (ARTS) LIMITED

Directors' Report (continued)

Statement of Directors' responsibilities

The trustees (who are also directors of Create (Arts) Limited for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' report) and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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 charitable company will continue in business.

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

Statement of Disclosure to Auditor

In so far as each of the Directors is aware:

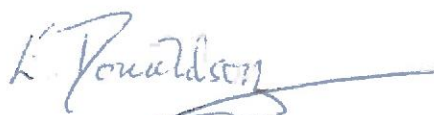
- there is no relevant audit information of which the company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

In accordance with section 485 of the Companies Act 2006, appointment of auditors to the company will be put to the Annual General Meeting of Members.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

By Order of the Board



Eddie Donaldson OBE
Chairman
07/12/21

INDEPENDENT AUDITORS' REPORT

To the members of Create (Arts) Limited

Opinion

We have audited the financial statements of Create (Arts) Limited (the "Charity") for the year ended 31 March 2021 which comprise Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 Charity's affairs as at 31 March 2021 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;
- 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 Charity 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 trustees' 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 entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITORS' REPORT

To the members of Create (Arts) Limited

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not obtained all the information and explanations necessary for the purposes of our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees 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 they 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 trustees 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 trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

INDEPENDENT AUDITORS' REPORT

To the members of Create (Arts) Limited

- We obtained an understanding of the legal and regulatory framework applying to the charity, and the procedures that management adopt to ensure compliance, including those relating to the Charities SORP FRS 102;
- We assessed the susceptibility of the charity's financial statements to material misstatement, including considering how fraud might occur;
- We obtained the Board of Trustees' assessment of fraud risk and enquired as to any known or suspected instances of fraud; and
- We designed and performed audit procedures to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations, including enquiry of the trustees, review of minutes and correspondence, and review of the completeness and accuracy of disclosures made in the financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members 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's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Healey (Senior Statutory Auditor)
For and on behalf of Lindeyer Francis Ferguson Limited
Chartered Accountants
Registered Auditor

North House
198 High Street
Tonbridge
Kent, TN9 1BE

9 December 2021

CREATE (ARTS) LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

		<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>	<i>Total funds as restated 2020 £</i>
	Notes				
Income from:					
Donations and legacies	2	433,424	360,274	793,698	732,354
Charitable activities	3	78,296	64,500	142,796	90,395
Other trading activities:					
Fundraising	4	105,288	12,845	118,133	110,232
Investment income:					
Bank interest received		-	4,009	4,009	7,430
Total		617,008	441,628	1,058,636	940,411
Expenditure on:					
Raising funds	5	-	1,126	1,126	12,220
Charitable activities	6	485,591	337,209	822,800	812,583
Total		485,591	338,335	823,926	824,803
Net income		131,417	103,293	234,710	115,608
Transfers between funds	13	(20,000)	20,000	-	-
Net movement in funds		111,417	123,293	234,710	115,608
Reconciliation of Funds:					
Total funds brought forward		392,657	561,079	953,736	838,128
Total funds carried forward		504,074	684,372	1,188,446	953,736

CREATE (ARTS) LIMITED

**BALANCE SHEET
AS AT 31 MARCH 2021**

			2021	As restated
	Notes	£	£	2020
				£
Fixed assets				
Tangible assets	9		-	-
Current assets				
Debtors	10	38,123	52,108	
Cash at bank and in hand		1,222,185	938,028	
		<u>1,260,308</u>	<u>990,136</u>	
Creditors: amounts falling due within one year	11	<u>(39,862)</u>	<u>(36,400)</u>	
Net current assets			<u>1,220,446</u>	<u>953,736</u>
Total assets less current liabilities			<u>1,220,446</u>	<u>953,736</u>
Provisions for liabilities	12	(32,000)		
Total net assets			<u><u>1,188,446</u></u>	<u><u>953,736</u></u>
The funds of the charity:				
Restricted Funds			504,074	392,657
Unrestricted funds				
General funds			534,372	521,079
Designated funds			150,000	40,000
Total charity funds	13		<u><u>1,188,446</u></u>	<u><u>953,736</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Directors on 7 December 2021 and were signed on its behalf by:


 Eddie Donaldson OBE
 Chairman

Company registration no: 04728145

CREATE (ARTS) LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	As restated 2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	280,148	72,954
Cash flows from investing activities:			
Bank interest received		4,009	7,430
Net cash provided by investing activities		4,009	7,430
Change in cash and cash equivalents in the reporting period		284,157	80,384
Cash and cash equivalents at the beginning of the reporting period		938,028	857,644
Cash and cash equivalents at the end of the reporting period		1,222,185	938,028
A. Reconciliation of net income to net cash flow from operating activities			
		2021 £	As restated 2020 £
Net income for the reporting period (as per the statement of financial activities)		234,710	115,608
Adjustments for:			
Bank interest received		(4,009)	(7,430)
Decrease/(increase) in debtors		13,985	(29,369)
Increase/(decrease) in creditors		35,462	(5,855)
Cash flow from operating activities		280,148	72,954

CREATE (ARTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with "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) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Create (Arts) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are presented in pounds sterling and rounded to the nearest pound.

Going concern

The global pandemic Covid-19 has inevitably impacted the operations of the charity. The trustees are keeping the matter under constant review and believe that the charity has sufficient reserves to absorb the impact of the Covid-19 crisis and will be able to continue in its operations for the foreseeable future. The trustees believe that the charity therefore has not been adversely impacted in such a way that would cast doubt over the going concern status, and so the going concern basis of accounting continues to be adopted.

Recognition of income

Incoming resources from charitable activities have been analysed according to the type of funding received as the charity has one main activity, which is the development and delivery of projects.

Fees, sponsorship and event income

Fees, sponsorship and event income are stated net of discounts and VAT, and are recognised on a receivable basis.

Grants, donations and sponsorship

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions outside of the charity's control which must be met before the charity is entitled to the funds.

Much of the funding for Create's charitable work derives from grants, donations and sponsorship, whether from the public sector, companies, trusts and foundations, or individuals. Such support is often directed towards a particular event or project. Such receipts are accounted for as restricted funds and expenditure is matched against the income as incurred.

Investment income is recognised when receivable.

CREATE (ARTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Legacies

Legacies are recognised on a receivable basis, once the conditions for the receipt have been satisfied and the amount can be measured with certainty.

Donated services

Donated services are recognised when the value of the services is reasonably quantifiable and measurable. The valuation method used on the resources is the estimated value of the services to the charity. During the year the charity received communications, HR services, event space, consultancy and art supplies.

Fixed assets and depreciation

Individual fixed assets costing £1,500 or more are capitalised at cost. Fixed assets are included in the balance sheet at cost less provisions for depreciation.

Depreciation is provided at 33% per annum on cost in order to write off the cost of computer equipment over their estimated useful life.

Expenditure and liabilities

Liabilities and related expenditure are recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount can be measured or estimated reliably.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of the charity is included within support costs as part of the cost of charitable activities. All resources expended are inclusive of irrecoverable VAT.

Staff costs have been allocated to expenditure headings on the basis of an estimate of the amount of time spent by staff members in each area.

Financial instruments

The charity only has financial instruments of a kind that qualify as basic financial instruments. Short-term debtors and creditors are measured at the settlement value. Any losses from impairment are recognised in profit and loss.

Taxation

The charity is exempt from Corporation Tax on its charitable activities.

CREATE (ARTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for the particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are applied for a specific restricted purpose. In the majority of cases, restricted funds are those which have been received in the year but are required to be applied to projects which are not going to commence until the following year. If those projects do not proceed then in some cases those funds will have to be returned.

Designated funds are unrestricted funds which have been set aside by the trustees for an essential spend or future purpose.

Operating leases

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

Pensions

Create (Arts) Limited has set up an auto-enrolment compliant pension scheme into which the employees are enrolled. The pension cost in the financial statements represents the contributions payable by the charity during the year.

Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in the period in which it arises.

Status

Create (Arts) Limited is a charitable company limited by guarantee incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 379 Salisbury House, London Wall, London, EC2M 5QQ.

CREATE (ARTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Prior period adjustment

During the preparation of the Charity's financial statements for the year ended 31 March 2021, a full review of the terms and conditions attached to the Charity's funding was undertaken to ensure that the income was being recognised in accordance with the Charity's accounting policies and the Charity SORP. A revised interpretation of the SORP has resulted in a prior period adjustment being made to both the Charity's income and deferred income for the year ended 31 March 2020 in order to better reflect the terms and conditions attached to the Charity's funding. The change has resulted in the balances on funds at 31 March 2020 increasing by £466,157. In addition to this, an adjustment has been made to reclassify grants received to support charitable activities as income from grants and donations. Previously these were included within income from charitable activities. The effect of this adjustment in the prior period has been to reanalyse income of £412,136 from income from charitable activities to income from donations and grants.

	<i>Restricted funds</i>	<i>Unrestricted funds</i>	<i>Total funds as restated</i>
	<i>£</i>	<i>£</i>	<i>£</i>
Summary of the prior year accounting impact			
Funds brought forward at 1 April 2019 as previously stated	-	421,985	421,985
Increase in income and decrease in deferred income	354,913	61,230	416,143
Funds brought forward at 1 April 2019 as restated	354,913	483,215	838,128
Increase in income and decrease in deferred income	37,744	77,864	115,608
Funds carried forward at 31 March 2020	392,657	561,079	953,736

2 Income from donations and legacies

	<i>2021</i>	<i>2020</i>
	<i>£</i>	<i>As restated £</i>
Donations and legacies	257,261	238,582
Grants	536,437	493,772
	<u>793,698</u>	<u>732,354</u>

The comparative figures include restricted income from grants and donations totalling £435,911.

Included in the above are grants received from Arts Council England, Carers Trust, Garfield Weston Foundation, Lawson Fund at Sussex Community Foundation, The London Community Foundation/The Deptford Challenge Trust, The Mercers' Charitable Foundation, The National Lottery Community Fund, Network for Social Change, Raise Your Hands and Southwark Community Council Neighbourhoods Fund.

CREATE (ARTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

3 Income from charitable activities

	2021	2020
	£	As restated £
<i>Activity: Create projects</i>		
Fees for services	96,406	-
Sponsorship	46,390	90,395
	<u>142,796</u>	<u>90,395</u>

The comparative figures include restricted income from grants and sponsorship totalling £90,395.

4 Income from other trading activities (fundraising)

	2021	2020
	£	As restated £
Gala dinner	47,139	67,113
BBC Radio 4 Appeal	35,522	-
CRE8IN8	12,806	-
One Lonely Fiver	-	17,080
Prudential RideLondon	-	7,288
Community fundraising	22,666	18,751
	<u>118,133</u>	<u>110,232</u>

The comparative figures include restricted income from donations totalling £28,297.

5 Expenditure on raising funds

	2021	2020
	£	£
Gala dinner	1,126	12,088
Prudential RideLondon	-	132
	<u>1,126</u>	<u>12,220</u>

CREATE (ARTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

6 Expenditure on charitable activities

	2021 £	2020 £
Activity: Create projects		
Employee costs	497,620	476,656
Direct costs of projects	164,083	181,588
Support costs (below)	161,097	154,339
	<u>822,800</u>	<u>812,583</u>

The comparative figures include £516,859 of expenditure from restricted funds.

Support costs

Employee costs	55,291	52,962
Other staff related costs	1,048	3,705
Other staff related costs (donated)	227	227
Insurance	1,671	2,806
Rent/service charge	41,788	46,872
Other premises expenses	3,689	5,340
Communications/branding	956	13,310
Communications/branding (donated)	-	3,980
Consultancy fees (donated)	710	4,000
Office costs	9,810	10,471
Dilapidation costs	32,000	-
Irrecoverable VAT	10,767	7,706
Board meeting expenses	-	30
Auditors' remuneration	2,220	2,100
Auditors' remuneration for payroll services	920	830
	<u>161,097</u>	<u>154,339</u>

See Note 12

7 Net income

	2021 £	2020 £
Net income is stated after charging:		
Auditors' remuneration for audit services	2,220	2,100
Auditors' remuneration for payroll services	920	830
Rent paid under operating leases	41,788	46,872

CREATE (ARTS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****8 Employee costs**

	2021	2020
	£	£
Wages and salaries	495,847	476,290
Social security costs	44,239	42,617
Pension costs	12,825	10,711
	<u>552,911</u>	<u>529,618</u>

The average number of employees during the year was as follows:

	2021	2020
	#	#
Project management	7	7
Communications	2	2
Development	4	4
Management	3	3
Finance	1	1
	<u>17</u>	<u>17</u>

One member of staff earned over £60,000 for the financial year (2020: one).

None of the directors received any remuneration during the year (2020: £Nil). No expenses incurred by the directors were reimbursed. Expenses waived by the directors are immaterial.

CREATE (ARTS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

9 Tangible fixed assets

	<i>Computer equipment £</i>
Cost	
At 1 April 2020	11,199
Disposals	(11,199)
At 31 March 2021	-
Depreciation	
At 1 April 2020	11,199
Disposals	(11,199)
At 31 March 2021	-
Net book value	
At 31 March 2021 and 2020	-

10 Debtors

	<i>2021 £</i>	<i>2020 £</i>
Trade debtors	8,000	24,952
Other debtors	18,518	17,359
Prepayments	11,605	9,797
	<u>38,123</u>	<u>52,108</u>

11 Creditors: amounts falling due within one year

	<i>2021 £</i>	<i>2020 as restated £</i>
Trade creditors	21,100	6,316
Taxes and social security costs	14,448	22,891
Other creditors	2,114	3,320
Accruals	2,200	3,873
	<u>39,862</u>	<u>36,400</u>

CREATE (ARTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

12 Provisions

	2021 £	2020 £
Provisions for dilapidations	32,000	-

The charity is moving offices in December 2021 and under the terms of the lease are required to pay for dilapidations on the current premises. The costs of the dilapidations is estimated to be £32,000 and a provision has been made in the accounts to reflect the liability. The costs are expected to be paid shortly after the premises have been vacated.

13 Movement on funds

	1 April 2020 - as restated £	Income £	Expenditure £	Transfers £	31 March 2021 £
Current year					
Unrestricted funds					
General Fund	521,079	441,628	(338,335)	(90,000)	534,372
Designated Funds:					
Implementation of a new CRM	-	-	-	85,000	85,000
Development of a new website	-	-	-	15,000	15,000
Office relocation costs	-	-	-	50,000	50,000
Director of Communications Post	40,000	-	-	(40,000)	-
	561,079	441,628	(338,335)	20,000	684,372
Restricted funds					
Disabled children and adults	91,440	40,005	(80,255)	(15,000)	36,190
Schoolchildren in areas of deprivation	9,848	-	(5,000)	-	4,848
Marginalised children and adults	7,750	31,500	(26,125)	-	13,125
Vulnerable older people	46,951	58,551	(48,149)	-	57,353
Young and adult carers	179,931	322,814	(314,861)	2,500	190,385
Young and adult prisoners	24,963	10,625	(5,300)	(5,000)	25,288
Young patients	31,774	23,498	-	(2,500)	52,772
Nurturing Talent	-	20,477	-	-	20,477
creative:vision	-	109,538	(5,901)	-	103,637
	392,657	617,008	(485,591)	(20,000)	504,074
Total funds	953,736	1,058,636	(823,926)	-	1,188,446

CREATE (ARTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

13 Movement on funds (continued)

Designated Funds:

In 2020 the trustees decided to allocate £40,000 of reserves to a designated fund to support the appointment of a Director of Communications. The post was filled in May 2020 and therefore the fund was released during 2020/21.

During 2021 the trustees decided to allocate £150,000 of reserves to designated funds to cover the costs of implementation of a new CRM, the development of a new website and costs associated with the relocation to new office premises. The costs are expected to be incurred during 2021/22.

Transfers

During 2020/21, one transfer was made from restricted to unrestricted funds; another between projects.

Due to the ongoing impact of COVID-19 on schools, Create was unable to deliver *creative:connection*, Garfield Weston Foundation gave permission to reallocate the grant of £15,000 towards the charity's wider programme (*Create Live!* delivered via Zoom) to have an impact on the lives of participants before reporting back in May 2021.

Due to the impact of COVID-19 and social distancing restrictions, Create was unable to deliver work in adolescent psychiatric wards in 2020/21. London Catalyst therefore allowed the reallocation of the grant of £2,500 towards work that could be delivered via *Create Live!* during the period.

	1 April 2019 £	Income £	Expenditure £	Transfers £	31 March 2020 £
Prior year - as restated					
Unrestricted funds					
General Fund	449,882	385,808	(307,944)	(6,667)	521,079
Designated Fund:					
Director of Communications Post	-	-	-	40,000	40,000
Director of Finance & Operations Post	33,333	-	-	(33,333)	-
	483,215	385,808	(307,944)	-	561,079

CREATE (ARTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13 Movement on funds (continued)

	1 April 2019	Income	Expenditure	Transfers	31 March 2020
	£	£	£	£	£
Prior year - as restated					
Restricted funds					
Disabled Children and Adults	69,940	106,730	(85,230)	-	91,440
Schoolchildren in areas of deprivation	-	9,848	-	-	9,848
Marginalised children and adults	-	43,000	(35,250)	-	7,750
Vulnerable older people	40,233	75,528	(68,810)	-	46,951
Young and adult carers	202,094	220,845	(243,008)	-	179,931
Young and adult prisoners	20,598	56,378	(52,013)	-	24,963
Young patients	19,548	39,274	(27,048)	-	31,774
Nurturing Talent	2,500	3,000	(5,500)	-	-
	354,913	554,603	(516,859)	-	392,657
Total funds	838,128	940,411	(824,803)	-	953,736

14 Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Current year			
Net current assets	504,074	716,372	1,220,446
Provisions	-	(32,000)	(32,000)
	504,074	684,372	1,188,446
Prior year			
Net current assets	392,657	561,079	953,736
	392,657	561,079	953,736

The charity is committed to future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Land and buildings - due within one year	30,318	30,318

CREATE (ARTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

15 Related party transactions

During the year, the Charity made payments of £1,805 to Carol Topolski in relation to the service she provided on projects as a professional writer (2020 - £1,156). Carol was not paid in her role as a Trustee.

In aggregate, trustee donations totalled £135,272 (2020: £137,385).

The key management personnel of Create in charge of planning, directing and controlling the charity and running and operating it on a day to day basis comprise the Board of Trustees, Chief Executive and Senior Management Team. The total remuneration (excluding employer's national insurance) payable to key management personnel (6) during the year was £237,737 (2020 {5 personnel}: £182,316).