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CREATE (ARTS) LIMITED FINANCIAL STATEMENTS

for the year ended

31 MARCH 2025

mitchell charlesworth

Accountants • Business Advisors

CREATE (ARTS) LIMITED

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

Company Number	4728145
Charity Registration Number	1099733
Chairman	Tony Cates
Chief Executive (CEO)	Nicky Goulder MBE
Company Secretary	Vanessa Sharp
Treasurer	Paul Thimont
Registered Office	3rd Floor 14 Austin Friars London EC2N 2HE
Email **Telephone (London / Manchester)** **Website**	info@createarts.org.uk 020 7374 8485 / 0161 521 0033 createarts.org.uk
Facebook **Instagram / X**	facebook.com/createarts.org.uk @createcharity
Bankers	The Co-operative Bank plc 1 Balloon Street Manchester M60 4EP
Auditors	Mitchell Charlesworth (Audit) Limited 3rd Floor, 44 Peter Street Manchester M2 5GP

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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 2025. 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

A society in which everyone has access to the educational, social and life-enriching benefits of the creative arts.

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 People Need to Create.
- 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

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 help 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

People Need to Create. Create's work has never been more important. Creativity impacts wellbeing, emotional and mental health. It builds skills, brings joy and reduces isolation. It allows us to think differently, to express ourselves and to be heard. It enables us to learn about ourselves and others in new ways. It inspires, empowers and raises aspirations. And, according to industry leaders including the World Economic Forum, it is a core skill for business.

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.

Create is 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.

Create's 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 low. We prioritise our work with eight participant groups: young psychiatric hospital patients; disabled children and adults; young and adult carers; children in care and young care leavers; 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+ older people, young refugees and asylum seekers).

Since Create was founded on 07/07/03, the charity has run 15,809 creative arts workshops that have delivered 396,902 contact hours as part of sustained, life-changing programmes with 47,921 participants.

Some of our programmes are developed and delivered in partnership with the business community, helping to meet their Responsible Business priorities. Every programme is rigorously evaluated because we're passionate about providing inspiring and empowering creative experiences that have a lasting impact. Additionally, in 2024/25 we commissioned consultancy Partnership First to undertake an evaluation of Create's Social Value. This included the statistical data collected across the year; a survey of key stakeholders; and in-depth interviews.

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 provide an important means of self-expression for a young person experiencing anxiety or depression.

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

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 throughout 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 children and adults, 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, together with under-provided priority places – such as those identified by Arts Council England and BBC Children in Need – to establish the geographical areas of greatest need. When choosing schools, it also considers the percentage of children who are eligible for 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 2024/25, 2,146 participants directly benefited from Create's projects. These included: young psychiatric hospital patients; young carers, young adult carers and adult carers; children and adults with mental ill-health; disabled children and adults; young asylum seekers and refugees; survivors of modern slavery; prisoners; inner-city schoolchildren; isolated older people, including those living with dementia; and children in care / young care leavers. Create worked with participants (where data provided):

Volunteers

152 volunteers, including those provided by corporate partners, donated 855 hours of their time to Create: using their skills and enthusiasm to support participants in Create workshops; and providing expert guidance as Trustees or Advisory, Communications, Creative or Finance & General Purposes Council members.

Achievements and Performance

Create's vision is for a world in which everyone has access to the educational, social and life-enriching benefits of the creative arts, and the value, importance and impact of creativity cannot be overstated. In these uncertain times, as economic inequality continues to grow and the most marginalised people face ever more challenges, Create urgently needs to provide creative opportunities that boost skills, build connections, increase confidence and enhance wellbeing. The creative arts also play a major role in the economy, with the creative industries contributing an estimated £124 billion per annum in the UK.

In line with its ambitious plans to double the reach and impact of its work by 2028, Create maintained its focus on expanding its reach and bringing the power of creativity to increasing numbers of disadvantaged children and adults across the UK. It also continued to raise the profile of the importance of creativity as a powerful tool in our society.

Since launching Create in 2003, the charity has delivered 396,902 hours of contact with 47,921 participants. During 2024/25, 64 professional Create artists ran 20 programmes (an umbrella body of work) within which 98 projects (a series of workshops with one or more community partners) were designed. These delivered 1,315 workshops (up 12% on the previous year) / 23,504 contact hours with 2,146 participants; and were rated "successful overall" by 100% of community partner staff. Create has continued to extend its national reach, with the North West hub in Manchester, established in 2021, playing a central role in the charity's expansion. Workshop delivery in the region increased by 6.4% during the year, reaching 14.3% more participants.

From 1-7 July 2024, Create piloted Create Week, a new initiative designed to raise awareness of the importance of the creative arts for individuals, organisations and society. The charity's professional artists developed seven activities, which were offered free of charge, enabling people to experience the benefits of the creative arts first-hand individually or in groups. Organisations and individuals across the UK and beyond took part in the event, which reached over 830,000 people online.

Create was the official charity partner for the Summer Reading Challenge, working in collaboration with The Reading Agency to unleash 581,301 children's creativity through reading at 3,130 library branches across the country. Between June and September 2024, children took part in 'Marvellous Makers', discovering new stories, getting to meet seven creative characters (below), joining in with free activities at the library, and exploring their creativity – from junk modelling to music, dance to drawing and painting – via activities devised by Create artists. 13.4 million books were read as part of the Challenge.

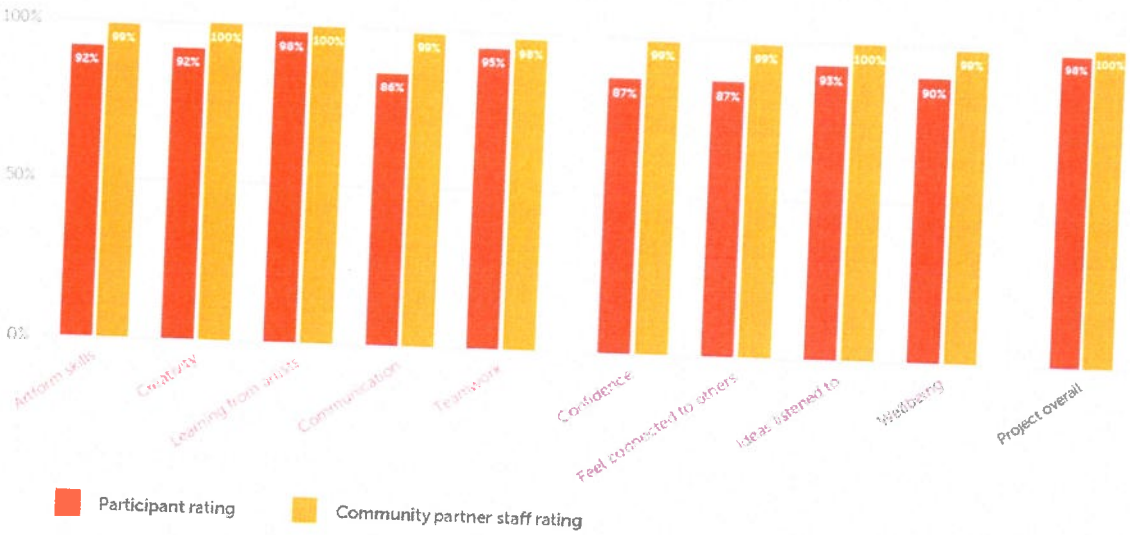
Create won the prestigious 'Most Innovative Proactive Wellbeing Activity' Mental Health Award in October for its *creative:voices* programme with adult carers; and secured seven Koestler Awards in recognition of its prison programmes.

The charity is committed at all levels to rigorous, honest evaluation. Each project is individually designed to meet partners' unique needs; clear, relevant intended outputs and outcomes are agreed; and programmes are evaluated against these. Planning and debrief meetings start and conclude each project and Create 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 feedback circles and consultation, observation of workshops and written response through questionnaires. Qualitative and quantitative feedback is used by Create to produce an evaluation report that assesses the extent to which the intended outputs and outcomes have been met. This is the primary means by which formal feedback from each programme is disseminated. Reports are sent to 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 their Create project 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/wellbeing enhancement was rated successful by between 86% and 98% of participants and 98% and 100% of community partner staff.

Participant skill development / wellbeing / overall project rating (%)

Skills for Life, Education, Work **Quality of Life**



Directors' Report

Create provided its artists and project team with free learning, skill-building and networking opportunities at Artist Sharing events that took place in May and November. With external speakers and artist-led workshops, these sessions focused on special educational needs and disability; and on wellbeing. Attendees commented:

"I so enjoyed sharing experiences, having preconceptions challenged. " / "Good balance of practice, discussion and learning. / "I understood how to use a wide range of tools, like sensory toys and talking mats, to encourage and facilitate learning." / "It was good to listen and learn from Create staff about shared principles of wellbeing, [and] how this can be implemented in practice."

Create ran the ninth year of *Nurturing Talent*, a programme over 12 months designed to upskill emerging artists who wish to combine their professional artistic practice with creative workshop delivery in community settings. *Nurturing Talent* gave five emerging artists the opportunity to work as supporting artists on a range of projects, attend professional development training days and work as a group to design and deliver their own workshop in a community setting. Each artist received a bursary and collectively supported 176 workshops across the year. Nurturing Talent artists commented:

"I have loved working with Create artists. It's been super inspiring to have an insight into the many ways of planning and delivering activities, it was great also to experience workshops in other art forms. I've found it hugely positive making my own activities to weave into others." / "Gaining experience with a variety of participant groups over the course of Nurturing Talent has changed how I design/facilitate workshops." / "All of the skills will help me to be a more confident and creative workshop leader."

Create's income was secured via the development of new relationships (with organisations including: Barnett Waddingham; Cubitts; The Foyle Foundation; The Linbury Trust; Octopus Energy; The Quilter Foundation; White Stuff); the strengthening of significant existing relationships (including: Aesop Foundation; Ashurst; British Land; City Bridge Foundation; Deborah Loeb Brice Donor Advised Fund at CAF; John Lyon's Charity; Reed Smith LLP; Rory and Elizabeth Brooks Foundation; Sarah Jane Leigh Charitable Trust; Smiles Fund by Comic Relief and Walkers; St James's Place Charitable Foundation); the generous support of dozens of other trusts, foundations, companies and individuals; community fundraising; in memoriam gifts; and events.

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 are non-Founding Change Makers/Community members or wish to remain anonymous), who together donated over £72.6k during the year:

Business Members: Pioneer: Brown-Forman **Innovator:** Uncommon **Collaborator**: Fold7; Zealot UK. **Individual Members: Champion:** Tony Cates; Alistair DK Johnston CMG; Tim and Claire Jones **Catalyst:** Anne Baldock; Eddie Donaldson OBE **Curator:** Gareth Davies; Philip Emery; Sean Hanson; Adam McNeeny; Susan Paul; Mark Sismey-Durrant; Chris and Vanessa Turpin **Connector:** Richard Schreiber; Vanessa Sharp **Change Maker (Founder Members):** Nicky Goulder MBE; Marit Meyer-Bell **Community (Founder Members):** John Broadis; Carol Topolski; Michael Topolski.

A vital part of Create's work is its partnerships with the business community, which enable companies to meet their Responsible Business objectives while helping Create to achieve its mission. Alongside financial, support, companies including Ashurst, Barnett Waddingham, BNP Paribas, Brown-Forman, Fitch, Octopus Energy, Reed Smith and White Stuff provided 128 volunteers, bringing a wealth of experience and expertise to workshops, acting as positive role models for the participants, developing new skills and experiences to take back to their workplace, and enhancing their wellbeing.

- 100% of volunteers said they would recommend volunteering with Create and would like to undertake more volunteering with the charity in the future.
- 99% felt well informed, briefed and supported by Create during their volunteering.
- 88% said volunteering with Create improved their wellbeing, increased their confidence in working with people from different backgrounds and made them more aware of the social issues facing participants.
- 79% said volunteering enhanced their creativity, identified by World Economic Forum as the second most important skill for business.

Pro bono support included: a social media management system by Metricool; media monitoring by Hawthorn Advisors; a supporter event by Brown-Forman; and meeting/event space by Barnett Waddingham, Reed Smith and Simply Business.

In February 2025, Create commissioned consultancy Partnership First to undertake its third independent evaluation of the charity's Social Value for the participants, organisations and communities with which it works, and the professional artists who deliver this work. In determining the charity's Social Value, Partnership First used a broad evidence base, including: focus groups; a Social Value Survey completed by 70% of recipients (86 Community Partners; 41 Artists; all eight Corporate Partners who volunteer); and extensive post-project data collected by Create across the year from participants and Community Partner staff. The report found:

98%

of survey respondents said that Create's work had a substantial or exceptional impact on Quality of Life.

92%

said that Create's work had a substantial or exceptional impact on Skills for Life, Education and Work.

95%

said that Create's work had a substantial or exceptional impact on Diversity, Equity and Inclusion.

82%

said that Create's work had a substantial or exceptional impact on Community Cohesion and Renewal.

Key Groups / Example Projects

During the year, Create developed and delivered 98 projects, examples of which are included below.

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

Children in care / young care leavers	... improved self-expression, self-belief and relationship-building

"I learned that you can do whatever you want, if you believe in yourself. And taking pictures is not just about taking a picture, it's making sure you capture the moment. I want to carry on taking pictures, because it's fun. This was a life-changing opportunity to have and I don't take it for granted." Participant

Having launched *our:voices* in 2023/24, 89 children in care/ young care leavers in Greater Manchester and London took part in animation, music, photography and visual art projects.

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

"From a social inclusion perspective, this workshop gave a lot of positive vibes to our participants. They learnt a lot and they enjoyed it a lot." Staff

The *more:creative* project in Southwark brought together nine adults with a learning disability from Bede House with 11 children from John Keats Primary School for collaborative creative drama activities. The *community:matters* project with Brent Mencap enabled 19 adults with a learning disability to explore drama, filmmaking and puppetry and create a spectacular mural at their centre.

Disabled children	... broke down barriers of prejudice and explored environmental concerns

"I've gone home happy and [I'm] coming into class more comfortable with the people around me." Participant

creative:connection brought together 173 disabled and nondisabled children in London, Manchester, Salford and Watford. *changing:minds* and *creative:spaces* worked with 152 SEND schoolchildren and young adults in London. The *environment:matters* programme delivered climate-themed projects with 123 children at four special schools in Bedford, London and Sale. A wide range of artforms were explored.

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

"It's helped me in my caring role as well. I've not felt alone in the last six weeks. I felt like I [had] somewhere to go where someone is going to listen to me and talk to me. And it just feels so good." Participant

creative:release and *creative:voices* delivered both in venue and remotely via Create Live! reduced the isolation of 356 adult carers in Edinburgh, Glasgow, London, Manchester, Nottingham, Sefton, Surrey, and Wigan and Leigh. The built creative skills across visual and performing artforms.

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

"I really enjoyed the chance to express creativity. It was good to see our hard work come to life and it actually turned-out way better than we thought it would. I feel very proud. This project made me happier. It's given me something to do and I've been hanging around with friends." Participant

Create delivered 417 workshops across a wide range of artforms through *art:space, change:matters, community:matters* and *inspired:arts*. The programme included a showcase on Young Carers Action Day (12 March 2025) in partnership with Carers Trust, putting young carers' talents and voices at the heart of the event.

Prisoners	... gave prisoners space to express themselves, build financial skills, and create stories to connect them with their children

"I can come across as confident, but really, I'm quite nervous. But I grew in confidence as the days have gone on. I feel a lot more confident in being able to express myself and getting involved with other people too. I've learnt that maybe I can be a bit more social. Everyone had positive ideas, everyone had a good time, and we all learnt something." Participant

Create worked with 100 male and female prisoners across four prisons through *Free Inside, Inside Change, Inside Stories* and *My Dad's in Prison*, enabling them to create a mural, write illustrated stories for their children and develop their financial literacy skills through radio drama and visual art.

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

"I looked forward to each session. It was therapeutic and peaceful. I always enjoy being creative - it's a stress buster!" Participant

art:links, creative:engagement and *creative:links* improved the quality of life of 248 isolated older people, many living with dementia, across London and Greater Manchester. A wide range of artforms were enjoyed.

Young psychiatric hospital patients	... provided a creative outlet to young people living with mental illnesses

"Being creative has made me feel very fulfilled because I can achieve something tangible. It's good to have a safe space where you can contribute different creative ideas. Art is important because it harnesses what others are feeling, which can be quite satisfying." Participant

creative:tandem empowered 82 young people who had been admitted to mental health units due to serious conditions, including psychotic, depressive, anxiety and eating disorders, self-harm or suicidal thinking. Create's professional artists brought art, ceramics, circus, drama, jewellery, mural and photography workshops into five hospital units in London and Manchester.

Young refugees and migrants	... encouraged self-expression and built a sense of community

"The sense of calm, purpose and creative autonomy has myriad benefits that are hard to articulate. We all need space to create for ourselves - these sessions are a joy." Staff

Directors' Report

Create worked with 59 young refugee and migrant children in Brent through its partnership with Salusbury World. The *community:matters* programme gave them a chance to develop their creativity through collage, filmmaking, photography and jewellery making.

Survivors of modern slavery	... used creativity as a powerful form of self-expression

"At first I was very nervous to meet new people but now I'm more comfortable and less anxious communicating with others." Participant

Create worked with nine survivors of modern slavery who are supported by Hestia through its *Art is Freedom* collaboration. The programme raised awareness of modern slavery through an exhibition across London, including a display on Piccadilly Lights for Anti-Slavery Day on 18 October 2024.

Create increased its profile through high quality communications that helped to raise the profile of the importance of the creative arts, and to position the charity as a leader in its field and the CEO as an expert voice. In July 2024, the charity launched "Create Conversations", a series of online panel discussions designed to spark meaningful discussions about the role and importance of creativity in our society. The first of these focused on "Creativity and Accessibility". Significant media coverage during the year included the Summer Reading Challenge, the launch of Create's partnership with White Stuff, a charity auction by spectacle-maker Cubitts in support of Create, and front-page coverage in Inside Time of the *My Dad's In Prison* project. Create's CEO Nicky Goulder took part in podcasts with The Institute of Practitioners in Advertising (IPA) and with Understanding Society, was invited to write a comment piece for Prospect Magazine, and received national press coverage after being awarded an MBE in the New Year Honours List 2025. She spoke at the Harrison Parrott Foundation Symposium in Liverpool in November 2024 and on the Innovation stage at ASALEE's Conference in Paris in March 2025.

Plans for 2025/26

Create will enter year five of its ambitious seven-year strategic plan with the aim of doubling the reach and impact of its work by its 25th anniversary in 2028. Its participants will remain the driving force behind its work and the charity will continue to meet its commitment to developing sustained, life-changing programmes by returning to many of the carer services, day centres, prisons, schools, children's psychiatric hospital units and other community settings with which it collaborated during 2024/25.

Create has a series of important initiatives planned that will extend its work geographically and with new partners. This includes further expansion of its work from the NW hub, successfully established in Manchester during 2021, reaching participants in areas of high deprivation across Greater Manchester, Merseyside and beyond. In addition, the charity will build on the work developed in 2023/24 with two important new participant groups: survivors of modern slavery; and children in care / young care leavers.

The charity is delighted to have secured a four year Literacy Special Initiative grant from St Paul's Schools Foundation (via The Mercers' Company) to fund *our:stories* between 2025/26 and 2028/29. This major new literacy programme with special needs primary schools in London will take a creative approach to

increasing children's reading and writing for pleasure. It will provide an interactive, fun learning experience for children aged 5-11, where they can experiment with different ways of engaging with words and ideas, and create their own narratives through writing, music, dance, drama or art. Eight schools will take part during 2025/26.

With the climate crisis arguably the most significant global challenge over the next decade and beyond, there is an urgent need to educate people on environmental issues. Create has taken its environmental responsibility seriously for 22 years, both operationally and via projects. Having joined the City of London's "Climate for SMEs: 4 Steps to Action" programme during 2024 and completed training, the charity will develop its Net Zero Action Plan, progress towards which will be tracked by the Green Committee. Create will also deliver its environmental programme – *environment:matters* – at special needs schools in Bedford, Greater Manchester and London, encouraging children to explore sustainability through the creative arts.

Create will continue to offer community partners a blended approach of Create Live! (via Zoom) 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, sickness or geographical remoteness, being able to join workshops over Zoom helps to keep them connected, empowered, inspired and upskilled, reducing isolation and enhancing wellbeing.

Following a successful pilot during 2024/25, the charity will be developing further two important initiatives: **Create Week** from 1-7 July 2025, a week-long event to promote and celebrate creativity and its importance for the wellbeing of individuals, organisations and society as a whole; and **Create Conversations** a series of online panel discussions on the role of creativity in society, aimed at raising awareness of the importance of making the creative arts available to everyone. Topics during the year will include "creativity and wellbeing" and "creativity and AI".

Artist development will remain a priority for Create, with free CPD offered via the "Ignite" programme, which will provide an opportunity for its professional artists to network, develop new skills and share best practice. Key events taking place in May and November 2025 will focus on "Trauma Informed Practice"; and "creative literacy". Six 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.

In summer 2025, Create will commission consultancy Partnership First to articulate a Theory of Impact for Artists in consultation with the charity's professional artist pool and senior project team. In spring 2026, the consultancy will undertake a review of Create's social value through a survey of stakeholders, in-depth focus groups, and analysis of impact data collected across the year.

Thanks to a major new grant aimed at helping to strengthen long-term impact, efficiency and sustainability, Create will be undertaking a significant IT infrastructure programme during the year. It will be embedding Salesforce across the organisation, moving to a cloud-based finance system and expanding its finance team to reflect the charity's significant growth in recent years.

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 31/03/25 were £995.5k, of which £156.3k is held in designated funds as a fixed asset fund; and to support: development of the CRM system/IT; a legacy fund; *creative:connection*; and development of the NW hub. The balance of £839.2k represents six months of budgeted expenditure for 2025/26.

This crucial level of reserve – given the continued uncertainty resulting from the cost-of-living crisis and increase in Employer's NI, and the volatility of the current economic situation – together with restricted reserves at 31/03/25 of £512.2k (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, with reference to skills, diversity and Create's values. The CEO 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 and Finance & General Purposes Councils are each chaired by a member of the Board.

Key management personnel

Day to day operations are managed by the CEO, Nicky Goulder and her team of 22 staff. Six of these are on the Senior Leadership Team with her: Director of Communications; Director of Development (Grants/Major Gifts); Director of Finance & Operations; Director of Programmes; Head of Corporate Development & Marketing; Lead 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.

Annually, the Chairman agrees any staff salary increases, which consider cost of living rises 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 CEO. 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 Responsible Business 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, via personal donations or community fundraising.

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

  Mitigation: A Senior Leadership Team covers the core areas of communications, finance, fundraising, operations and projects, and provides support to the CEO 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 the current economic climate, it needs to be alert to changing funding demands and policies.

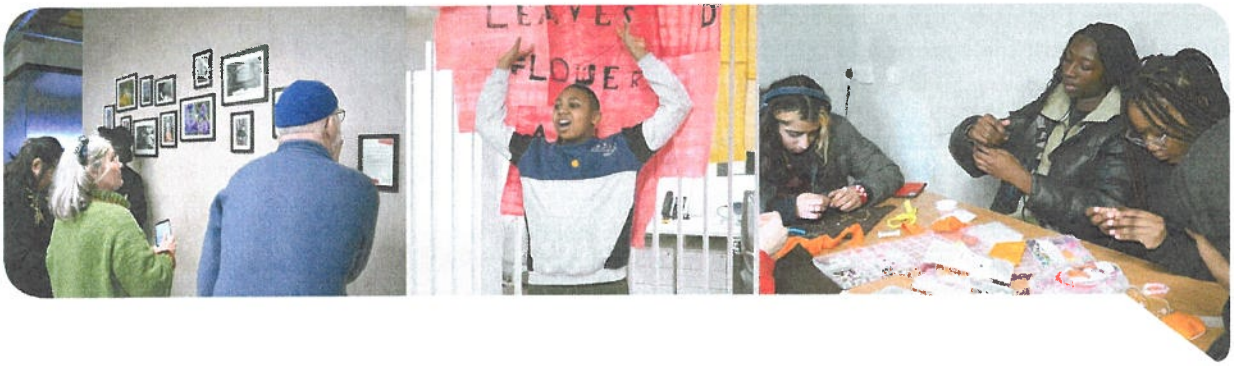
  Mitigation: The CEO has a proven fundraising track record; fundraising is overseen by a Development team of four; longer-term funding is being developed; Create has a proven ability to meet fundraising targets.

- **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 since lockdown with the team dispersed due to hybrid working. Initiatives have included wellbeing training; creative activities; project offloads; additional leave; and team socials.

CREATE (ARTS) LIMITED

Directors' Report



Directors

The following served as Directors during the year:

John Broadis
Tony Cates
Holly Khan (Monica Robinson)
Marit Meyer-Bell
Vanessa Sharp
Paul Thimont
Carol Topolski
Simone Wright

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

CREATE (ARTS) LIMITED

Directors' Report

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:

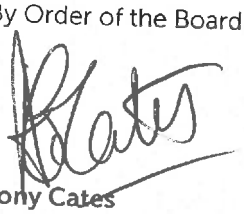
- there is no relevant audit information of which the company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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



Tony Cates
Chairman
04/09/25

CREATE (ARTS) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S 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 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, 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 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 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 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, except to the extent otherwise explicitly stated in our report, 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within 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 directors' report included within the directors' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud
We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the company's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of Directors of their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in the following area:

The timing of the recognition of revenue. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and local taxation legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Data Protection Regulations.

Audit response to risks identified

As a result of performing the above, we identified the timing of the recognition of revenue as the key audit matter related to the potential risk of fraud.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Directors concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

Use of our report

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

ARBuckley

Alison Buckley (Senior Statutory Auditor)
for and on behalf of Mitchell Charlesworth

4.9.25

Accountants
Statutory Auditor

3rd Floor
44 Peter Street
Manchester
M2 5GP

CREATE (ARTS) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Donations and legacies	3	569,622	737,132	1,306,754	437,882	559,911	997,793
Charitable activities	4	33,638	167,916	201,554	37,737	147,321	185,058
Other trading activities	5	17,538	4,060	21,598	13,357	5,200	18,557
Investments	6	44,382	-	44,382	35,721	-	35,721
Total income		665,180	909,108	1,574,288	524,697	712,432	1,237,129
Expenditure on:							
Raising funds	7	155,770	-	155,770	115,756	-	115,756
Charitable activities	8	273,680	908,699	1,182,379	407,467	725,252	1,132,719
Total expenditure		429,450	908,699	1,338,149	523,223	725,252	1,248,475
Net income/(expenditure)		235,730	409	236,139	1,474	(12,820)	(11,346)
Transfers between funds		28,678	(28,678)	-	-	-	-
Net movement in funds	10	264,408	(28,269)	236,139	1,474	(12,820)	(11,346)
Reconciliation of funds:							
Fund balances at 1 April 2024		731,098	540,453	1,271,551	729,623	553,273	1,282,896
Fund balances at 31 March 2025		995,506	512,184	1,507,690	731,097	540,453	1,271,550

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CREATE (ARTS) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	13		25,158		38,263
Current assets					
Stocks	14	50,000		50,000	
Debtors	15	99,006		99,642	
Cash at bank and in hand		1,522,636		1,262,735	
		1,671,642		1,412,377	
Creditors: amounts falling due within one year	16	(169,110)		(159,090)	
Net current assets			1,502,532		1,253,287
Total assets less current liabilities			1,527,690		1,291,550
Provision for other liabilities	17		(20,000)		(20,000)
Net assets			1,507,690		1,271,550
The funds of the charity					
Restricted income funds	19		512,184		540,453
Unrestricted funds - general	20		839,182		613,285
Unrestricted funds - Designated fund	20		156,324		117,812
			1,507,690		1,271,550

The financial statements were approved by the directors on 4 September 2025

Tony Cates
Chairman

Company registration number 4728145 (England and Wales)

CREATE (ARTS) LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	25		215,519		(47,132)
Investing activities					
Investment income received		44,382		35,720	
Net cash generated from investing activities			44,382		35,720
Net cash generated from financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			259,901		(11,412)
Cash and cash equivalents at beginning of year			1,262,735		1,274,147
Cash and cash equivalents at end of year			1,522,636		1,262,735

1 Accounting policies

Charity information

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 guarantee is limited to £1 per member of the charity. The registered office is 3rd Floor, 14 Austin Friars, London, EC2N 2HE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing 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 can only be used for the particular purpose 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 directors for an essential spend or future purpose.

1.4 Income

Recognition of income

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

1 **Accounting policies** **(Continued)**

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 the formal offer has been 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.

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

1.5 Expenditure

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 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 the support costs as part of the cost of charitable activities. All resources expended are inclusive of irrecoverable VAT.

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

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 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. 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objective, as well as any associated support costs.

1.6 Tangible fixed assets

Individual assets costing £1,500 or more are capitalised at cost.

Tangible fixed assets are initially measured at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

1 **Accounting policies** **(Continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	20%
Fixtures and fittings	20%

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 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Financial instruments

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

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

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

Basic financial assets

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

1 Accounting policies **(Continued)**

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.

1.11 Taxation

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

1.12 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity 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 net income/(expenditure) in the period in which it arises.

1.13 Retirement benefits

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.

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.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and legacies	266,999	-	266,999	147,901	-	147,901
Grants	302,623	737,132	1,039,755	289,981	559,911	849,892
	569,622	737,132	1,306,754	437,882	559,911	997,793

Included in the above are grants received from The Chartered Accountants' Livery Charity, City Bridge Foundation, Comic Relief, Coutts Charitable Foundation, Deborah Loeb Brice Donor Advised Fund at CAF, Garfield Weston Foundation, John Lyon's Charity, Kusuma Trust, The Quilter Foundation, Santander Foundation, Sarah Jane Leigh Charitable Trust, The Linbury Trust, The Mercers' Company, The Rory and Elizabeth Brooks Foundation.

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Sponsorships	33,638	167,916	201,554	37,737	147,321	185,058

5 Income from other trading activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Community fundraising	17,538	-	17,538	13,357	-	13,357
Create Live! For Business	-	4,060	4,060	-	5,200	5,200
Other trading activities	17,538	4,060	21,598	13,357	5,200	18,557

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	44,382	35,721

7 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Employee costs	117,850	78,644
Support costs	37,920	37,112
	155,770	115,756

8 Expenditure on charitable activities

	Expenditure on charitable activities 2025 £	Expenditure on charitable activities 2024 £
Direct costs		
Employee costs	651,683	586,441
Direct costs of projects	315,819	335,979
	967,502	922,420
Share of support and governance costs (see note 9)		
Support	214,877	210,299
	1,182,379	1,132,719
Analysis by fund		
Unrestricted funds - general	273,680	407,467
Restricted funds	908,699	725,252
	1,182,379	1,132,719

9 Support costs allocated to activities

	2025	2024
	£	£
Employee costs	85,504	73,898
Depreciation	13,105	13,105
Other staff related costs	4,636	4,697
Insurance	4,887	2,242
Rent/service charge	70,063	67,238
Other premises expenses	25,593	23,492
Communications/branding	11,032	5,113
IT software	8,981	19,215
Payroll costs	920	880
Irrecoverable VAT	18,787	26,712
Auditors remuneration	8,500	10,000
Sundries	789	819
	252,797	247,411
Analysed between:		
Expenditure on raising funds	37,920	37,112
Expenditure on charitable activities	214,877	210,299
	252,797	247,411

10 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	8,500	10,000
Depreciation of owned tangible fixed assets	13,105	13,105

11 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Project management	12	11
Communications	2	2
Development	4	4
Management	3	3
Finance	1	1
Total	22	21

11 Employees (Continued)

Employment costs

	2025	2024
	£	£
Wages and salaries	762,890	660,308
Social security costs	72,005	60,510
Other pension costs	20,142	18,165
	855,037	738,983

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025	2024
	Number	Number
In the band £70,001 - £80,000	1	1

None of the directors received remuneration during the year (2024: none). No expenses incurred by the directors were reimbursed. Expenses waived by the directors are immaterial.

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 April 2024	20,000	44,473	64,473
At 31 March 2025	20,000	44,473	64,473
Depreciation and impairment			
At 1 April 2024	8,420	17,790	26,210
Depreciation charged in the year	4,210	8,895	13,105
At 31 March 2025	12,630	26,685	39,315
Carrying amount			
At 31 March 2025	7,370	17,788	25,158
At 31 March 2024	11,580	26,683	38,263

14 Stocks

	2025	2024
	£	£
Artwork donated for resale	50,000	50,000

15 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	25,229	17,171
Prepayments and accrued income	54,306	63,000
	79,535	80,171

	2025	2024
Amounts falling due after more than one year:	£	£
Other debtors	19,471	19,471
Total debtors	99,006	99,642

16 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	29,336	21,436
Trade creditors	38,809	28,614
Accruals and deferred income	100,965	109,040
	169,110	159,090

17 Provisions for liabilities

	2025	2024
	£	£
Office dilapidation provision	20,000	20,000

Movements on provisions:

	£
At 1 April 2024 and 31 March 2025	20,000

18 Retirement benefit schemes

Defined contribution schemes	2025 £	2024 £
Charge to profit or loss in respect of defined contribution schemes	20,142	18,165

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

19 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Marginalised children & adults	49,306	83,434	(47,374)	(4,292)	81,074
Vulnerable older people	52,982	94,548	(106,339)	(18,773)	22,418
Nurturing Talent	928	-	(2,500)	1,572	-
Young & adult carers	314,599	420,073	(458,950)	1,681	277,403
Young patients	6,861	68,445	(52,915)	(1)	22,390
Disabled children & adults	81,411	112,122	(127,620)	(3,913)	62,000
Young & adult prisoners	18,672	101,416	(93,247)	(4,952)	21,889
Hub	15,694	-	(15,694)	-	-
Create Live! For Business	-	4,060	(4,060)	-	-
Evaluation	-	25,010	-	-	25,010
	540,453	909,108	(908,699)	(28,678)	512,184

19 Restricted funds (Continued)

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Marginalised children & adults	11,000	71,662	(33,356)	-	49,306
Vulnerable older people	57,648	100,135	(104,801)	-	52,982
Nurturing Talent	-	15,500	(14,572)	-	928
Young & adult carers	321,738	319,319	(326,458)	-	314,599
Young patients	12,514	47,028	(52,681)	-	6,861
Disabled children & adults	116,421	119,709	(154,719)	-	81,411
Young & adult prisoners	33,952	15,340	(30,620)	-	18,672
Manchester Hub	-	15,694	-	-	15,694
Create Live! For Business	-	5,200	(5,200)	-	-
Capital	-	2,845	(2,845)	-	-
	553,273	712,432	725,252	-	540,453

20 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds, which have been set aside out of unrestricted funds by the trustees for specific purposes.

Designated funds

	At 1 April 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2025
	£	£	£	£	£	£
CRM/IT	41,710	-	-	-	-	41,710
Fixed asset fund	38,263	-	(13,105)	-	-	25,158
Charles Lloyd-Jones Legacy Fund	6,300	-	(1,575)	-	-	4,725
creative: connection	20,539	-	(15,808)	-	-	4,731
Project Equipment	11,000	-	(11,000)	-	-	-
North West Hub	-	80,000	-	-	-	80,000
	117,812	80,000	(41,488)	-	-	156,324
General funds	613,286	585,180	(387,962)	28,678	-	839,182
	731,098	665,180	(429,450)	28,678	-	995,506

20 **Unrestricted funds** **(Continued)**

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2024
	£	£	£	£	£	£
CRM/IT	80,500	-	(38,790)	-	-	41,710
Fixed asset fund	51,368	-	(13,105)	-	-	38,263
Charles Lloyd-Jones Legacy Fund	7,875	-	(1,575)	-	-	6,300
creative: connection	-	20,539	-	-	-	20,539
Project Equipment	-	11,000	-	-	-	11,000
	139,743	31,539	(53,470)	-	-	117,812
General funds	589,880	493,158	(469,753)	-	-	613,285
	729,623	524,697	523,223	-	-	731,097

21 Statement of funds

Designated Funds:

CRM/IT - Designated fund to support the implementation of a new CRM system / IT.

Fixed Asset Fund - The designated fixed asset category represents tangible fixed assets that are used to carry out the charity's activities and are therefore not readily available for spending.

Charles Lloyd-Jones Legacy Fund - Designated fund to support *Nurturing Talent*.

Project Equipment - Designated fund to support the purchase of new photography equipment for projects.

North West Hub - Designated fund to support expansion of work delivered from the NW hub.

General Funds

The General Unrestricted Funds represent accumulated income from the Charity's activities that are available for the general purposes of the charity.

Restricted Funds

Marginalised children & adults - This funds relates to the charity's work with marginalised children and adults.

Vulnerable older people - This fund relates to the charity's work with vulnerable older people.

Nurturing Talent - This fund relates to the charity's *Nurturing Talent* programme for emerging artists to develop professional practice in a community setting.

Young & adult carers - This fund relates to the charity's work with young and adult carers.

Young patients - This fund relates to the charity's work with young patients.

Disabled children & adults - This fund relates to the charity's work with disabled children and adults.

Young & adult prisoners - This fund relates to the charity's work with young and adult prisoners.

North West Hub - This fund relates to the charity's work developing its hub in Manchester.

Create Live! For Business - This fund relates to the charity's creative workshops with corporate partners.

Evaluation - This fund relates to charity's rigorous evaluation and impact assessment.

22 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	25,158	-	25,158
Current assets/(liabilities)	990,348	512,184	1,502,532
Provisions	(20,000)	-	(20,000)
	995,506	512,184	1,507,690

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	38,263	-	38,263
Current assets/(liabilities)	712,834	540,453	1,253,287
Provisions	(20,000)	-	(20,000)
	731,097	540,453	1,271,550

23 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	76,294	58,412
Between two and five years	334,476	102,221
	410,770	160,633

24 Related party transactions

During the year the charity made payments of £Nil to Carol Topolski (2024: £2,547) and £1,200 to Holly Khan (2024: £4,900) in relation to the services they provided on projects as writer and musician respectively. Neither were paid in their role as trustees.

In aggregate, the trustees donations totalled £15,520 (2024: £18,925).

The key management personnel of Create in charge of planning, directing and controlling the charity and running it on a day to day basis comprise the Board of Trustees, Chief Executive and Senior Leadership Team. The total remuneration payable to key management personnel (6 persons) during the year was £294,028 (2024: (6 persons): £298,888).

25 Cash generated from/(absorbed by) operations

	2025 £	2024 £
Surplus/(deficit) for the year	236,140	(11,346)
Adjustments for:		
Investment income recognised in statement of financial activities	(44,382)	(35,720)
Depreciation and impairment of tangible fixed assets	13,105	13,105
Movements in working capital:		
Decrease in debtors	636	29,245
Increase/(decrease) in creditors	10,020	(42,416)
Cash generated from/(absorbed by) operations	215,519	(47,132)

26 Analysis of changes in net funds

The charity had no material debt during the year.