

Company number: 7737871

Charity Number: 1147150

Cre8 Macclesfield Ltd

Report and financial statements

For the year ended 31st August 2021

Cre8 Macclesfield Ltd

Reference and administrative information

for the year ended 31st August 2021

Company number 7737871

Charity number 1147150

Registered office and operational address The House
11 Belgrave Road
Macclesfield
Cheshire
SK11 7TW

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

James Andrew Booth	
Jared Brown	(Appointed 17/05/2021)
Martin Clarke	Treasurer
Andrea Fitton	(Resigned 17/05/2021)
Ameera Fletcher	
Jennifer Hardy	Chair
Peter Munro	(Appointed 17/05/2021)
Jayne Shaw	(Resigned 30/11/2020)
Adam Small	
Ruth Thompson	

Secretary Katy Wardle

Key management personnel

Jonathan Aiken	
Keirra Bexon	
Ameera Fletcher	Director
Oliver Gibson	
Amy McFadden	(Resigned 23/10/2020)
Sarah Postlewhite	
Emma Thomas	
Katy Wardle	

Bankers Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

Independent examiner Christy Lau FCCA CTA DChA
Slade and Cooper
Beehive Mill
Jersey St
Ancoats
Manchester
M4 6JG

Cre8 Macclesfield Ltd
Trustees' annual report
for the year ended 31st August 2021

The trustees present their report and the unaudited financial statements for the year ended 31st August 2021. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Objects

The charitable purposes of the company remain:

- To advance the Christian faith for the public benefit;
- To act as a resource for young people living in Macclesfield and the surrounding area by providing advice and assistance and organising programmes of physical, educational and other activities to help young people develop their skills, capacities and capabilities, advancing education, relieving unemployment, and providing recreational and leisure activity;
- To promote social inclusion for the public benefit by preventing people from becoming socially excluded, relieving the needs of such people who are socially excluded and assisting them to integrate into society.

Activities

Cre8 Macclesfield has delivered a range of regular activities for public benefit over the past year, despite the restrictions imposed by the pandemic. We provide innovative and life-changing ways of working with young people and the local community.

Cre8 Music The 'Youth Music' funded Project continues to provide a safe and inclusive space where young people can access free music lessons, learn to collaborate with others, express themselves creatively and gain accreditation. Over the last year, we have provided musical opportunities for over 50 local young people.

In 2020, we premiered recorded summer and Xmas concerts on YouTube and found it was a way to get some quality time with each young person involved in the studio during lockdowns or social restrictions. We recorded 12 young people for the summer and 20 young people for the Christmas concert. To bring things closer to normality, in summer 2021 we opted for a live-streamed summer concert from St Barnabas church, with 14 young people performing. In June 2021, working with the local Macclesfield festival, Barnaby Bright, we commissioned one of our Young Music Leaders to write the soundtrack for their online town parade. Lots of our young people were involved in recording instruments to add in to the music, which was well-received by everyone.

Through networking, we have passed on opportunities for working with other music projects around the country and one of our young people took part in a 5-day residency to collaborate with other musicians in July 2021. In the same month we were able to take a group of young people to their first gig through Gig at the Vale in Mossley. Another one of our Young Music Leaders has run a choir since the return of face-to-face work, and they were able to perform at our latest summer concert.

Unfortunately, although we submitted a new funding bid to Youth Music to allow the music project to continue for the next two years (Jan 2022 to Dec 2023), we were ultimately unsuccessful. We are therefore trying to

Cre8 Macclesfield Ltd
Trustees' annual report
for the year ended 31st August 2021

identify alternative funding sources and looking at different provision models in order to carry on what has been a hugely successful project over the last few years.

The music outreach work has enabled us to encourage young people to engage with further education. We are looking to expand this work to connect with other young people who are struggling to deal with education or to gain meaningful employment (see Social Enterprise).

Learning Plus This is a one-to-one alternative education package offered to all local schools. We are looking at accreditations which are achievable for all our young people, for example the ASDAN Award or the Arts Award. These awards can be gained in a short period of time and can be tailored to suit all.

Over this academic year we are going around the world exploring and researching a different country every month. We will look at the traditional dress, animals, foods, places and anything else our young people want to know. We have a map on the wall in the project room which will be full of interesting facts about different places.

We have also set up a getting to know me file which will be used weekly as part of discussion-based work and adding in any other worksheets that are needed for example; building confidence and self-esteem.

Clubs They are now back up and running post pandemic. Junior youth club is nearly at capacity. All the children enjoy playing games and all engage well. We have a number of new children which have fitted into club without any problems. Senior club has started to get busier with the new year 7s and some of our old members have returned. They are enjoying playing games and sitting chatting with youth workers. Both groups have a great mix of volunteers who offer different skills that they are able to share. Both groups enjoy meal times and eating with their friends.

John Muir Award A group of 11 young people have completed their John Muir Award this year. They did this by taking part in different activities with Moorland Adventures. The group enjoyed rock climbing, water sports, orienteering, bush craft and archery. They achieved the award by carrying out conservation work in different areas that we visited. They all picked up litter that others had left, and spent time cutting back trees that were overgrown.

Residential We took a group of 15 young people on a residential to High Ash Farm for 4 nights where they engaged in outdoor activities with Moorland Adventures. Before the residential a lot of these young people were quite isolated and had got used to spending time at home. Since coming back they have all formed a new friendship group and are now socialising with each other daily. Feedback from parents has been really positive.

Cre8 Enterprise We have run Cre8 Enterprise as part of grant funding which was extended until the end of August 2021, and will be funded by core Cre8 funds in 2021/22.

Cre8 Enterprise is an initiative which seeks to do small project work with hard-to-reach young people. Through Cre8 Enterprise we have engaged over ten different young people in a variety of small work projects. Many of the young people were not previously actively engaged with Cre8. These projects have included DIY tasks at the Cre8 buildings, bike repairs, clearing and maintenance work on Cre8 sheds, private garden work, Peaks and Plains garage clearing and Christmas Tree selling.

We ran a very successful Christmas Tree selling enterprise throughout December 2020. We were able to provide 34 hours of employment for young people, make £1000 surplus, and help make new contacts with people in Macclesfield. This enterprise will be repeated in 2021.

Cre8 Macclesfield Ltd
Trustees' annual report
for the year ended 31st August 2021

Through Cre8 Enterprise we have actively pursued work with Peaks and Plains Housing Trust. This included clearing a local garage site for then carrying out a pilot jet washing scheme for their fleet of vehicles. These initiatives have led to a marked increase in communication between PPHT and Cre8 at a lower management and operative level as well as a jet washing contract for PPHT vehicles. This contract is now part of Cre8 Facilities.

Cre8 Enterprise also received a grant from the Police Community Fund. Through this grant we employed young people throughout August 2021 to renovate and repair the shed at The House. The shed is now in a useable state for young people to complete practical work as part of their Learning Plus sessions.

We also engaged with other businesses such as Treacle Treats, encouraging them to consider what social enterprise is and have championed the employment of young people as part of social enterprise.

Cre8 Facilities This is our social enterprise business delivering a high-standard fleet washing service to Creamline Dairies in Manchester. Cre8 has delivered this commercial contract for the past seven years. The work ensures that Creamline vehicles, including its milk floats and vans, are cleaned and jet-washed on a two-weekly cycle. This year we have managed to adjust timetables and recruit young people so that we are employing approximately three different young people on this project during a two-week cycle.

This year we have also secured a contract to wash Peaks and Plains fleet of commercial vehicles. This contract was secured through the work of Cre8 Enterprise. The contract starts at the beginning of September 2021 with an initial review in December. The contract is worth £1000 a month to Cre8 and will provide an extra one day per week of jet washing work. This contract is based at St. Barnabas Church. We are keen to demonstrate our ability to PPHT and grow the relationship.

Project Grow 2020/21 marked the second year of Project Grow, funded by The National Lottery Community Fund. The project recognises and mobilises our local talents while also building on our years of community experience. Our second year was dominated by the Covid-19 pandemic and as such a large number of the community gatherings and events that were planned had to be postponed or reimagined. However, our Surplus Food Grocery is operating and continues to feed around 180 households each week through donated 'waste' food and is partnering with the Green in the Corner Community Café on the Hurdsfield Estate to reach an area in need of low cost food. This model is working well and is drawing people together for more than just food, which we hope to build on in year three. A particular highlight was the Big Give 2020 on Christmas Eve, a real community coming together to shine a light on what can be a difficult time for some. We were able to mobilise 28 teams of people to deliver food and present hampers to 110 vulnerable households across Macclesfield. A real challenge given Covid-19 restrictions, but we are grateful to the wonderful teams of volunteers working throughout the day & night, in difficult circumstances to keep everyone safe and make the Big Give happen.

The Garden & Allotment at St Barnabas Church has been recognised as a huge asset during the pandemic as it provides a large safe outdoor space for people to meet. We've been able to provide a space for meetings, parties, some gatherings and celebrations as well as a place to garden and learn new skills. Over the summer we were able to welcome in families for the first time in several months, into the garden one day a week. This provided a well-needed place of refuge after a difficult year of restrictions. A successful community trip to the new gardens at RHS Bridgewater in Salford was also a highlight; with 55 members of our community, from weeks old babies to over 80's, coming along for a day in the sunshine exploring beautiful gardens and play areas.

Cre8 Macclesfield Ltd
Trustees' annual report
for the year ended 31st August 2021

Achievements and performance

The charity's main activities and its main beneficiaries are described below. All its charitable activities are undertaken to further Cre8 Macclesfield's charitable purposes for the public benefit.

Over the past 15 years, we believe we have built capacity, resilience and developed a self-help model that reduces what corrodes the emotional, physical and spiritual well-being of people in our community. We have done this by raising self-esteem, self-worth, self-confidence and have consciously built a sense of community. This year we have continued our partnership work with Just Drop In and Wilmslow Youth as part of the G8Way project - providing access to training opportunities around mental health for young people and for staff members. We have also built some new partnerships eg with South West Peaks and Rank Foundation.

Our operational performance and achievements have included continued investment in Social Enterprise by supporting a Business Development Manager to explore and create new models for delivering social enterprise. This work has already produced long term solutions that provide meaningful work opportunities for young people who live locally. Adapting our Project Grow to deliver food to those who need it most, both within our local community as well as across Macclesfield, and continuing to support the establishment of a Food Network Partnership across Macclesfield.

We have successfully restarted Clubs and Residentials for young people – many of whom have been isolated during the pandemic. We have tutored young people and supported them to deliver professional music performances, delivering online concert performances entirely with young people during the lockdown. Continued to work with Creamline Dairies through Cre8 Facilities, securing a new contract with PPHT to wash their vehicles as well as smaller one off projects eg selling Christmas Trees at the end of 2020.

We give thanks to our major funders; Cheshire Community Foundation, CO-OP Local Community Fund, National Lottery Community Fund, Macclesfield Town Council, and Cheshire East Council.

We continuously appreciate the support of all our individual donors, and all the volunteers who provide their time to support our community to enable change to happen.

The trustees review the aims, objectives and activities of the charity regularly. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set. All current trustees have confirmed that they have read CC03 with respect to understanding their roles and responsibilities as trustees. Several trustees have attended virtual training related to Charity Governance and have reported back to the trustee team. All trustees attend Safeguarding training each year.

Cre8 Macclesfield Ltd
Trustees' annual report
for the year ended 31st August 2021

Beneficiaries of our services

There are three geographical categories of beneficiaries of our services.

Young people and their families living on the Moss Rose Estate have benefited from our clubs and residentials, the music project and Project Grow.

Young people and their families living in Macclesfield have benefited from our Cre8 Facilities and social enterprise businesses, and Project Grow.

Young people and their families from Cheshire East have benefited from our Learning Plus project.

Financial review

Cre8 made an overall surplus of £30K in the 2021 financial year (2020: £2K), the third year in a row that a small surplus has been achieved.

Income increased by just over 22%, reflecting a large increase in 3rd party donations (mainly one-offs) and 2 years of donations from Cre8 Facilities (none were received in 2020).

Costs overall increased by just under 13%, mainly due to higher payroll costs funded by the Social Enterprise and Rank Foundation grants, together with higher costs of donated food from Fairshare for Project Grow's distribution during the pandemic.

The trustees have again prudently budgeted for a deficit in 2021/22. However, we are encouraged by how well we have worked through the pandemic and the stable foundation Cre8 has now established, after 3 years of small financial surpluses. As such, we believe that we will have sufficient reserves at August 2022 to comply with our reserves policy (see below).

In summary, total funds increased by £30K in 2021 (2020: £2K increase). At the end of the year total funds stood at £188K (2020: £158K), with cash reserves at £170K (2020: £148K).

Reserves policy

The current policy (set out in 2018) is to maintain unrestricted reserves at a minimum of 6 months budgeted net costs of £82,787.

At August 2021, unrestricted reserves remained virtually unchanged at 9.6 months (£132,107) of budgeted net cost (2020: 9.7 months).

Plans for the future

We continue to focus on three strategic priorities in line with asset based community development:

To continue delivering the highest quality professional youth and community work

To provide support to others who want to do good things in our community

To connect people together who want to do good things in our community

We will proactively seek to develop social enterprise work, and explore possibilities for paid employment opportunities for the hardest to reach young people in our community. Learning from our experience, we will continue to exploit Project Grow across Macclesfield. Our youth work team are delivering small group activities as well as residentials' later in the year. We anticipate ongoing demand for our Learning Plus project from referring agencies and we look forward to ongoing musical activities in the future.

Cre8 Macclesfield Ltd
Trustees' annual report
for the year ended 31st August 2021

Structure, governance and management

The Trustees are selected to ensure an appropriate balance of skills and experience and involvement in the local area. We have an established Trustee team, which has remained constant over the last year, and who have specialist skills including Law, Social Care and Youth Work and Health.

Recruitment of Trustees follows Cre8's Volunteering Policy and Procedures. We have advertised for Trustees with specific skills, utilizing local advertising groups such as Cheshire East Community & Voluntary Services. Once an enquiry has been made, the potential Trustee meets separately with the Director and the Chair of Trustees, before completing an application form, references, confidential self-declaration form and DBS check. The appointment of a person as a Trustee is subject to approval by the Trustees at a Board meeting.

The Board of Trustees comprises a minimum of five Trustees.

The organisation is a charitable company limited by guarantee, incorporated on 11 August 2011 and registered as a charity on 4 May 2012.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Related parties and relationships with other organisations

Cre8 Works Ltd and Cre8 Facilities Ltd are wholly owned subsidiaries of Cre8 Macclesfield Ltd.

Remuneration policy for key management personnel

Cre8 operates a payscale that includes 7 pay grades. The grades and job descriptions are benchmarked to national data available for our industry sector.

Risk management

The Trustees meet 6 times a year where they consider and approve financial reports prepared by Treasurer and revised Finance & HR Committee. We operate a reserves policy of a minimum of 6 months budgeted net cost (see Reserves Policy above).

Trustees have identified a number of key risk areas, which the Finance & HR Committee review quarterly, and for the high-risk areas, Trustees require a report from the Director that addresses these areas at a Trustee meeting in March & September.

Cre8 Macclesfield Ltd
Trustees' annual report
for the year ended 31st August 2021

Statement of responsibilities of the trustees

The trustees (who are also directors of Cre8 Macclesfield Ltd for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 incoming resources and application of resources, including 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that 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.

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

The trustees' annual report has been approved by the trustees on 04/04/2022 and signed on their behalf by

Jenni Hardy

Chair

Independent examiner's report
to the trustees of
Cre8 Macclesfield Ltd

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st August 2021 which are set out on pages 10 to 28.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Christy Lau FCCA CTA DChA

Slade & Cooper Limited
Slade & Cooper Ltd
Beehive Mill, Jersey Street, Ancoats Manchester, M4 6JG
29th April 2022

Cre8 Macclesfield Ltd
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 August 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	<i>Total funds 2020 £</i>
Income from:					
Donations and legacies	3	110,853	-	110,853	53,314
Charitable activities	4	87,046	148,856	235,902	245,420
Investments	5	18,251	-	18,251	436
Total income		216,150	148,856	365,006	299,170
Expenditure on:					
Charitable activities	6	190,772	143,908	334,680	296,705
Total expenditure		190,772	143,908	334,680	296,705
Net income/(expenditure) before net gains/(losses) on investments		25,378	4,948	30,326	2,465
Net income/(expenditure) for the year	8	25,378	4,948	30,326	2,465
Net movement in funds for the year		25,378	4,948	30,326	2,465
Reconciliation of funds					
Total funds brought forward		106,729	51,329	158,058	155,593
Total funds carried forward		132,107	56,277	188,384	158,058

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

Cre8 Macclesfield Ltd
Company number 7737871
Balance sheet as at 31 August 2021

	Note	2021	2020
		£	£
Fixed assets			
Tangible assets	14	12,803	14,853
Current assets			
Debtors	15	20,421	2,314
Cash at bank and in hand	16	170,144	148,046
Total current assets		190,565	150,360
Liabilities			
Creditors: amounts falling due in less than one year	17	(14,984)	(7,155)
Net current assets		175,581	143,205
Total assets less current liabilities		188,384	158,058
Net assets		188,384	158,058
The funds of the charity:			
Restricted income funds	18	56,277	51,329
Unrestricted income funds	19	132,107	106,729
Total charity funds		188,384	158,058

For the year in question, the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 13 to 28 form part of these accounts.

Approved by the trustees on 04/04/2022 and signed on their behalf by:

Ameera Fletcher (Trustee)

Martin Clarke (Trustee)

Cre8 Macclesfield Ltd
Statement of Cash Flows
for the year ending 31 August 2021

	Note	2021 £	2020 £
Cash provided by/(used in) operating activities	21	7,243	12,417
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		18,251	436
Purchase of tangible fixed assets		(3,396)	(12,500)
Cash provided by/(used in) investing activities		14,855	(12,064)
Increase/(decrease) in cash and cash equivalents in the year		22,098	353
Cash and cash equivalents at the beginning of the year		148,046	147,693
Cash and cash equivalents at the end of the year		170,144	148,046

Notes to the accounts for the year ended 31 August 2021

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

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), second edition - October 2019 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Cre8 Macclesfield Ltd meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Notes to the accounts for the year ended 31 August 2021 (continued)

c Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

d Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Notes to the accounts for the year ended 31 August 2021 (continued)

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

IT Software	33%
Motor Vehicles	33% or the duration of a project where a vehicle relates to a specific project.

i Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j Cash at bank and in hand

Cash at bank and cash 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.

k Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the accounts for the year ended 31 August 2021 (continued)

I Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

m Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 9. There were £74 outstanding contributions at the year end (2020: £Nil).

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2021 £
Donations			
General	60,853	-	60,853
Oliver Valves	30,000	-	30,000
Cheshire East Council - Retail Hospitality & Leisure Grant	20,000		20,000
	<hr/>	<hr/>	<hr/>
Total	110,853	-	110,853
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Previous Reporting Period	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2020</i> £
Donations			
General	23,314	-	23,314
Oliver Valves	30,000	-	30,000
	<hr/>	<hr/>	<hr/>
Total	53,314	-	53,314
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the accounts for the year ended 31 August 2021 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2021 £
Grants and contracts			
The Swallow Trust	12,500	-	12,500
Youth Music	-	30,417	30,417
Cheshire Community Foundation - COVID-19 Response	2,500	-	2,500
Small Groups Minds Matter	-	14,483	14,483
Co-op Food Poverty	-	4,931	4,931
The National Lottery Community Fund	-	50,986	50,986
Cheshire East Council - COVID-19 Response	3,500	-	3,500
Rank Foundation	-	26,470	26,470
Co-op Local Cause	-	1,820	1,820
Police Crime Commissioner Cheshire	-	997	997
Just Drop In	-	9,752	9,752
South West Peak Landscape Partnership	-	7,500	7,500
Love Music Trust	-	1,500	1,500
	<hr/>	<hr/>	<hr/>
	18,500	148,856	167,356
Fees and other income	<hr/>	<hr/>	<hr/>
Contract Work	34,881	-	34,881
Fund Raising	4,429	-	4,429
Other income	29,236	-	29,236
	<hr/>	<hr/>	<hr/>
	68,546	-	68,546
	<hr/>	<hr/>	<hr/>
Total	87,046	148,856	235,902
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Notes to the accounts for the year ended 31 August 2021 (continued)

4 Income from charitable activities (Continued)

<i>Previous Reporting Period</i>	<i>Unrestricted £</i>	<i>Restricted £</i>	<i>Total 2020 £</i>
<i>Grants and contracts</i>			
<i>The Swallow Trust</i>	25,000	-	25,000
<i>Youth Music</i>	-	40,414	40,414
<i>Cheshire Community Foundation - COVID-19 Response</i>	2,000	-	2,000
<i>Social Action Fund</i>	-	23,433	23,433
<i>The National Lottery Community Fund</i>	-	47,711	47,711
<i>Rank Foundation</i>	-	20,387	20,387
<i>Co-op Local Cause</i>	-	5,591	5,591
<i>Macclesfield Town Council</i>	4,000	-	4,000
<i>G8 Way Project Funding</i>	-	11,780	11,780
<i>Love Music Trust</i>	-	1,500	1,500
<i>Other Grants</i>	1,400	-	1,400
	<hr/>	<hr/>	<hr/>
	32,400	150,816	183,216
<i>Fees and other income</i>	<hr/>	<hr/>	<hr/>
<i>Contract Work</i>	30,206	-	30,206
<i>Fund Raising</i>	15,421	-	15,421
<i>Furlough Grant from Government</i>	3,798	-	3,798
<i>Other income</i>	12,779	-	12,779
	<hr/>	<hr/>	<hr/>
	62,204	-	62,204
	<hr/>	<hr/>	<hr/>
<i>Total</i>	94,604	150,816	245,420
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5 Investment income

	<i>2021 £</i>	<i>2020 £</i>
<i>Income from bank deposits</i>	-	436
<i>Gift aid from Subsidiary</i>	18,251	-
	<hr/>	<hr/>
	18,251	436
	<hr/> <hr/>	<hr/> <hr/>

All investment income is unrestricted.

Notes to the accounts for the year ended 31 August 2021 (continued)

6 Analysis of expenditure on charitable activities

	Total 2021 £	Total 2020 £
Staff costs	240,550	206,503
Subcontractors	9,956	14,372
Volunteers	4,846	1,659
Travel	5,298	4,046
Repairs and Maintenance	6,328	9,872
Residential and Catering	4,043	5,882
Activities, materials and resources	17,985	6,496
Premises	6,728	5,244
Administration	8,472	10,187
Equipment	5,088	8,028
Insurance	9,279	8,701
Other Professional fees	4,362	1,850
Miscellaneous	4,103	2,129
Depreciation	5,446	9,396
Governance costs (see note 7)	2,196	2,340
	<hr/>	<hr/>
	334,680	296,705
	<hr/>	<hr/>
	2021 £	2020 £
Restricted expenditure	143,908	136,126
Unrestricted expenditure	190,772	160,579
	<hr/>	<hr/>
	334,680	296,705
	<hr/>	<hr/>

7 Analysis of governance costs

	2021 £	2020 £
Accountancy services	2,196	2,340
	<hr/>	<hr/>
	2,196	2,340
	<hr/>	<hr/>

Notes to the accounts for the year ended 31 August 2021 (continued)

8 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2021 £	2020 £
Depreciation	5,446	9,396
Independent examiner's fee		
Independent examination	540	540
Accountancy	1,290	1,290
	<u>1,290</u>	<u>1,290</u>

9 Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	221,516	201,960
Social security costs	12,150	9,835
Pension costs	6,884	5,870
	<u>240,550</u>	<u>217,665</u>

During the year £8,879 (2020: £11,162) of the above costs were recharged to one of the charity's subsidiaries.

No employee has employee benefits in excess of £60,000 (2020: Nil).

The average number of staff employed during the period was 20.6 (2020: 15.2).

The average full time equivalent number of staff employed during the period was 9.7 (2020: 8.8).

The key management personnel of the charity comprise the trustees and senior management of the charity. The total employee benefits of the key management personnel of the charity were £189,643 (2020: £174,608).

Notes to the accounts for the year ended 31 August 2021 (continued)

10 Trustee remuneration and expenses

One trustee, Ameera Fletcher, was paid as an employee by the charity in the year. Ameera Fletcher was paid as an employee £49,845 (2020: £48,462) by the charity in the year.

The employment of Ameera Fletcher is in accordance with the governing document of the charity.

No other trustees, nor any persons connected with them received any remuneration or reimbursed expenses during the year (2020: £nil).

No trustees received travel and subsistence expenses during the year (2020: £nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year.

11 Related party transactions

The charity has two subsidiaries: -

- Cre8 Works Ltd, a company limited by guarantee, company number 07737881.
- Cre8 Facilities Limited, a company limited by guarantee, company number 09237866.

Cre8 Facilities Limited

	2021 £	2020 £
Transactions in the period comprised:		
Gift Aid payment from subsidiary	18,251	-
Recharge of expenses to subsidiary	10,862	13,458
Balance owed by/(to) the subsidiary at period end	818	1,006

In accordance with guidance from the Financial Reporting Council in December 2017, the subsidiary no longer accrues the gift aid payment within its accounts. The payment to the parent charity will still be made within 9 months of the year end.

Notes to the accounts for the year ended 31 August 2021 (continued)

12 Government grants

The government grants recognised in the accounts were as follows:

	2021 £	2020 £
Cheshire East Council	23,500	-
Police Crime Commissioner Cheshire	997	-
Macclesfield Town Council	-	4,000
Furlough Grant	-	3,798
	<hr/>	<hr/>
	24,497	7,798
	<hr/>	<hr/>

There are no unfulfilled conditions and contingencies attaching to the grants.

13 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

14 Fixed assets: tangible assets

	IT Software £	Motor Vehicles £	Total £
Cost			
At 1 September 2020	-	36,939	36,939
Additions	3,396	-	3,396
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 August 2021	3,396	36,939	40,335
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 September 2020	-	22,086	22,086
Charge for the year	566	4,880	5,446
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 August 2021	566	26,966	27,532
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 August 2021	2,830	9,973	12,803
	<hr/>	<hr/>	<hr/>
At 31 August 2020	-	14,853	14,853
	<hr/>	<hr/>	<hr/>

Cre8 Macclesfield Ltd

Notes to the accounts for the year ended 31 August 2021 (continued)

15 Debtors

	2021 £	2020 £
Fees Receivable	2,698	1,065
Cre8 Facilities Limited	818	1,031
Gift aid claim	-	218
Grant Receivable	15,810	-
Prepayments	1,095	-
	<hr/>	<hr/>
	20,421	2,314
	<hr/>	<hr/>

16 Cash at bank and in hand

	2021 £	2020 £
Short term deposits	119,947	85,837
Cash at bank and on hand	50,197	62,209
	<hr/>	<hr/>
	170,144	148,046
	<hr/>	<hr/>

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,288	496
Cre8 Facilities Limited	-	25
Other creditors and accruals	5,121	3,765
Taxation and social security costs	4,575	2,869
	<hr/>	<hr/>
	14,984	7,155
	<hr/>	<hr/>

Notes to the accounts for the year ended 31 August 2021 (continued)

18 Analysis of movements in restricted funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2021 £
Youth Music	8,985	30,417	(29,710)	-	9,692
Co-op Local Cause	1,134	1,820	(2,379)	-	575
Love Music Trust	-	1,500	(1,500)	-	-
The National Lottery	15,271	50,986	(47,614)	-	18,643
Community Fund					
The Rank	7,415	26,470	(22,205)	-	11,680
Foundation					
Cheshire	18,524	-	(18,524)	-	-
Community					
Foundation Social					
Enterprise					
G8 Way Project	-	9,752	(9,752)	-	-
Small Groups	-	14,483	(863)	-	13,620
Minds Matter					
Co-op Food	-	4,931	(3,281)	-	1,650
Poverty					
Police Crime	-	997	(580)	-	417
Commissioner					
Cheshire					
South West Peak	-	7,500	(7,500)	-	-
National Lottery					
Heritage Fund					
Total	51,329	148,856	(143,908)	-	56,277

Notes to the accounts for the year ended 31 August 2021 (continued)

18 Analysis of movements in restricted funds (Cont.)

Previous Reporting Period	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 31 August 2020 £</i>
<i>Youth Music</i>	8,018	40,414	(39,447)	-	8,985
<i>Co-op Local Cause</i>	(2,416)	5,591	(2,041)	-	1,134
<i>I-Will Social Action Fund</i>	7,156	-	(7,156)	-	-
<i>Love Music Trust</i>	-	1,500	(1,500)	-	-
<i>The Swallow Trust</i>	12,500	-	-	(12,500)	-
<i>The National Lottery Community Fund</i>	23,881	47,711	(56,321)	-	15,271
<i>The Rank Foundation Cheshire Community Foundation Social Enterprise</i>	-	20,387	(12,972)	-	7,415
<i>G8 Way Project</i>	-	23,433	(4,909)	-	18,524
	-	11,780	(11,780)	-	-
Total	49,139	150,816	(136,126)	(12,500)	51,329

Notes to the accounts for the year ended 31 August 2021 (continued)

18 Analysis of movements in restricted funds (Cont.)

Name of restricted fund	Description, nature and purposes of the fund
Youth Music	Open Programme grant. Used for music project activities.
Co-op Local Cause	Develop the allotment and community garden in the area behind the St Barnabas Church as a shared space for everyone to enjoy.
Love Music Trust	Trips and equipment for furthering the music project activities
The National Lottery Community Fund	Cre8 project grow; a sustainable, low-cost food network, accessible neighbourhood green space and local people developing their own community, health and wellbeing activities.
The Rank Foundation	Time to Shine Leadership Programme, funding full-time administrator for 12 months.
Cheshire Community Foundation Social Enterprise	funding for a part-time manager to review Cre8's history and experience of social enterprise activities and to develop new schemes for the future.
G8 Way Project	Partnership project with just drop in and Wilmslow Youth, delivering mental health first aid training.
Small Groups Minds Matter	Funded through Cheshire Minds Matter, delivering small project work for young people.
Co-op Food Poverty	Small work projects to enhance local community including gardening, maintenance & building planters and work benches.
Police Crime Commissioner Cheshire	Supporting young people into work with preparation and volunteering experiences.
South West Peak National Lottery Heritage Fund	Residentials funded for young people who also completed the John Muir Award.

Notes to the accounts for the year ended 31 August 2021 (continued)

19 Analysis of movement in unrestricted funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	As at 31 August 2021 £
General fund	106,729	216,150	(190,772)	-	132,107
	<u>106,729</u>	<u>216,150</u>	<u>(190,772)</u>	<u>-</u>	<u>132,107</u>
	<u><u>106,729</u></u>	<u><u>216,150</u></u>	<u><u>(190,772)</u></u>	<u><u>-</u></u>	<u><u>132,107</u></u>
Previous Reporting Period	<i>Balance at 1 September 2019</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>As at 31 August 2020 £</i>
General fund	106,454	148,354	(160,579)	12,500	106,729
	<u>106,454</u>	<u>148,354</u>	<u>(160,579)</u>	<u>12,500</u>	<u>106,729</u>
	<u><u>106,454</u></u>	<u><u>148,354</u></u>	<u><u>(160,579)</u></u>	<u><u>12,500</u></u>	<u><u>106,729</u></u>
Name of unrestricted fund	Description, nature and purposes of the fund				
General fund	The free reserves after allowing for all designated funds				

20 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	12,803	-	-	12,803
Net current assets/(liabilities)	119,304	-	56,277	175,581
Total	<u>132,107</u>	<u>-</u>	<u>56,277</u>	<u>188,384</u>
	<u><u>132,107</u></u>	<u><u>-</u></u>	<u><u>56,277</u></u>	<u><u>188,384</u></u>
Previous Reporting Period	<i>General fund £</i>	<i>Designated funds £</i>	<i>Restricted funds £</i>	<i>Total £</i>
Tangible fixed assets	14,853	-	-	14,853
Net current assets/(liabilities)	91,876	-	51,329	143,205
Total	<u>106,729</u>	<u>-</u>	<u>51,329</u>	<u>158,058</u>
	<u><u>106,729</u></u>	<u><u>-</u></u>	<u><u>51,329</u></u>	<u><u>158,058</u></u>

Notes to the accounts for the year ended 31 August 2021 (continued)

21 Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the year	30,326	2,465
Adjustments for:		
Depreciation charge	5,446	9,396
Dividends, interest and rents from investments	(18,251)	(436)
Decrease/(increase) in debtors	(18,107)	5,115
Increase/(decrease) in creditors	7,829	(4,123)
	<hr/>	<hr/>
Net cash provided by/(used in) operating	7,243	12,417
	<hr/> <hr/>	<hr/> <hr/>