



## **Create Arts Development Ltd**

Report of the Trustees and  
Unaudited Financial Statements  
for the year ended

31 March 2021

**Registered Company Number: 6213886**

**Registered Charity Number: 1155449**

Ashby Berry Coulsons  
2 Belgrave Crescent  
Scarborough  
North Yorkshire  
YO11 1UB

# **Create Arts Development Ltd**

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# **Create Arts Development Ltd**

## **Reference and Administrative Details for the Year Ended 31 March 2021**

<b>Trustees</b>	C M Barnes R Williamson J E Koppert H Berry S G Featherstone J Munro E Colling	appointed 9 April 2020 appointed 9 April 2020 resigned 23 May 2020 resigned 9 April 2020
<b>Registered office</b>	2 Belgrave Crescent Scarborough North Yorkshire YO11 1UB	
<b>Principal address</b>	Woodend The Crescent Scarborough North Yorkshire YO11 2PW	
<b>Registered company number</b>	6213886 (England and Wales)	
<b>Registered charity number</b>	1155449	
<b>Independent examiner</b>	Ashby Berry Coulsons 2 Belgrave Crescent Scarborough North Yorkshire YO11 1UB	

## **Create Arts Development Ltd**

### **Report of the Trustees for the Year Ended 31 March 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted 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).

This report includes the directors' report required by company law.

#### **Objectives and activities**

The charity's objects are to promote, maintain, improve and advance education by the encouragement of the arts including, without limitation, the arts of drama, mime, dance, visual arts, singing, music and other forms within the creative industries.

The main activities in relation to the objects have been work with partners such as:

- Scarborough Borough Council
- Strategic networks and partnership work
- Supporting practitioners of creative activity
- Supporting COAST cultural partnership
- Provide local practical arts development support
- Big Ideas by the Sea festival

#### **Achievement and performance**

The landscape in terms of the local cultural economy has changed considerably in recent years; the emergence of new cultural and creative organisations and networks, shrinking availability of funding opportunities, changing community needs, not to mention the effects of a global pandemic. Create has responded to this by refocusing, to ensure the organisation is in a position to operate effectively in the new environment and to deliver projects that meet the needs of the local community.

To provide much needed support for families in lockdown, an on-line Family Coastival took place in February 2021, focussing on providing innovative creative activities for families, free of charge. Activities included bespoke storytelling as well as practical workshops and group participation activities. This digital festival was an enormous success, reaching a wide and diverse audience.

Create continued to support Big Ideas by the Sea to deliver a springtime event that was viable, educational, engaging and Covid safe.

Create continue to work with Scarborough Borough Council to deliver and programme arts events. As administrators for COAST, Scarborough Borough's LCEP group, Create is heavily involved in the generation of a Cultural Strategy for the Borough in partnership and funded by Arts Council England and Scarborough Borough Council.

The Trustees operate with all due regard for their responsibilities both as Charity Trustees and Company Directors and in compiling this report they have had due regard to guidance published by the Charity Commission on public benefit.

#### **Financial review**

The Statement of Financial Activities shows an overall surplus of £10,418 on its activities during the year (2020 £1,889). At 31 March 2021, total reserves amounted to £16,696 (2020: £6,278). Unrestricted funds (net current assets) amounted to £13,179 (2020: £1,039).

## **Create Arts Development Ltd**

### **Report of the Trustees for the Year Ended 31 March 2021**

#### **Financial review**

The Board recognise the continued hard work of the staff over the last 12 months to sustain the organisation through the challenging times of a global pandemic. The management have focused on keeping core costs to a minimum and the team have made a tremendous effort to generate an income stream which not only covers infrastructure costs, but that enables the production of valuable and high quality programming. At 31 March 2021, Create had met its reserves policy, which is to have cash in the bank to cover at least 3 months' worth of activity. A £5,000 bank overdraft facility is in place, should it be needed.

Following a loss of anticipated funding, the Board took the decision at its meeting on 21 December 2021 to wind down the activities of the charity and to close it down once existing reserves have been exhausted. Their considered assessment is that the charity will be able to continue as a going concern until its dissolution.

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

Create Arts Development Ltd was incorporated on 16 April 2007. It was registered as a charity on 23 January 2014 and is governed by its Memorandum and Articles of Association. The charity is governed by a board of not less than three and not more than fifteen trustees, which meets quarterly. New trustees are recruited for the skills they can bring to the board. The directors have the power to appoint a person to be a director at any time. Any directors so appointed shall hold office until the next following annual general meeting, when they will be eligible for re-election.

#### **Statement of compliance with prevailing laws and regulations**

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019.

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

Approved by order of the board of trustees on ..... and signed on its behalf by:

.....  
H Berry - Trustee

**Independent Examiner's Report to the Trustees of  
Create Arts Development Ltd**

**Independent examiner's report to the trustees of Create Arts Development Ltd ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

**Responsibilities and basis of report**

As the charity's 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 charity'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**

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:

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.

Anne Mead BSc FCA  
Ashby Berry Coulsons  
2 Belgrave Crescent  
Scarborough  
North Yorkshire  
YO11 1UB

Date: .....

**Create Arts Development Ltd**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 March 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>Income and endowments from</b>					
Donations and legacies	2	25,001	2,032	27,033	34,558
<b>Charitable activities</b>	3				
Core		2,716	-	2,716	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>		27,717	2,032	29,749	34,558
<b>Expenditure on</b>					
<b>Charitable activities</b>	4				
Core		15,577	3,754	19,331	32,669
		<hr/>	<hr/>	<hr/>	<hr/>
<b>NET INCOME/(EXPENDITURE)</b>		12,140	(1,722)	10,418	1,889
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>		1,039	5,239	6,278	4,389
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		<u>13,179</u>	<u>3,517</u>	<u>16,696</u>	<u>6,278</u>

The notes form part of these financial statements

**Create Arts Development Ltd (Registered number: 6213886)**

**Balance Sheet  
31 March 2021**

	Notes	2021 £	2020 £
<b>Current assets</b>			
Debtors	11	9,232	578
Cash at bank and in hand		<u>10,793</u>	<u>14,255</u>
		<b>20,025</b>	14,833
<b>Creditors</b>			
Amounts falling due within one year	12	<u>(3,329)</u>	<u>(8,555)</u>
<b>Net current assets</b>		<u><b>16,696</b></u>	<u>6,278</u>
<b>Total assets less current liabilities</b>		<u><b>16,696</b></u>	<u>6,278</u>
<b>NET ASSETS</b>		<u><b>16,696</b></u>	<u>6,278</u>
<b>Funds</b>	14		
Unrestricted funds		13,179	1,039
Restricted funds		<u>3,517</u>	<u>5,239</u>
<b>Total funds</b>		<u><b>16,696</b></u>	<u>6,278</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements



**Balance Sheet - continued**  
**31 March 2021**

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

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....  
H Berry - Trustee

## **Create Arts Development Ltd**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **1. Accounting policies**

##### **General information**

Create Arts Development Ltd is a charitable company limited by guarantee in England / Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to promote, maintain, improve and advance education by the encouragement of the arts including, without limitation, the arts of drama, mime, dance, visual arts, singing, music and other forms within the creative industries.

##### **Basis of preparing the financial statements**

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### **Judgements and key sources of estimation uncertainty**

The trustees consider that no judgements, apart from those involving estimates, have been made in the process of applying the above accounting policies which have had a significant effect on amounts recognised in the financial statements.

The trustees consider that no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date have been made which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### **Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### **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.

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**1. Accounting policies - continued**

**Income**

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised at fair value 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. If entitlement is not met then these amounts are deferred.

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

**Donated services and facilities**

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

**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.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

**Irrecoverable VAT**

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

**Tangible fixed assets**

Fixed assets are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis at the following annual rates.

Fixtures, fittings and equipment	33% straight line
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**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

## Create Arts Development Ltd

### Notes to the Financial Statements - continued for the Year Ended 31 March 2021

#### 1. Accounting policies - continued

##### Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

##### Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

##### Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity contributes to a defined contribution workplace pension plan for the benefit of its employees. Contributions are charged to the statement of financial activities in the period to which they relate.

##### Taxation

The charity is exempt from corporation tax on its charitable activities.

##### Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. In their view the budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern until its dissolution.

#### 2. Donations and legacies

	2021	2020
	£	£
Donations	94	4
Grants	<u>26,939</u>	<u>34,554</u>
	<u>27,033</u>	<u>34,558</u>

£2,032 (2020: £16,554) of the above income was attributable to restricted funds and £25,001 (2020: £18,004) to unrestricted funds.

There are no unfulfilled conditions attaching to the above grants. Further information about grants received is given in Note 17.

# **Create Arts Development Ltd**

## **Notes to the Financial Statements - continued for the Year Ended 31 March 2021**

### **3. Income from charitable activities**

	<b>2021</b>	2020
	<b>£</b>	£
Fee income	<b><u>2,716</u></b>	<u>-</u>

All the above income is attributable to unrestricted funds.

### **4. Charitable activities costs**

	Direct Costs £	Support costs (see note 5) £	Totals £
Core	<b><u>18,341</u></b>	<b><u>990</u></b>	<b><u>19,331</u></b>

#### **Comparatives for charitable activities costs**

Core activities	<u>31,679</u>	<u>990</u>	<u>32,669</u>
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£3,754 (2020: £20,624) of the above costs were attributable to restricted funds and £15,577 (2020: £12,045) to unrestricted funds.

### **5. Support costs**

	Governance costs £
Core	<b><u>990</u></b>

Independent examiner's remuneration

	<b>2021</b>	2020
	<b>£</b>	£
Independent examination and accounts preparation	<b><u>990</u></b>	<u>990</u>

**Create Arts Development Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**6. Net income/(expenditure)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>2021</b>	2020
	<b>£</b>	£
Independent examination	<b>990</b>	990
Depreciation - owned assets	<u><u>-</u></u>	<u><u>273</u></u>

**7. Trustees' remuneration and benefits**

No remuneration was paid to any of the trustees (2020: £nil).

**Trustees' expenses**

No expenses were paid to any of the trustees (2020: £nil).

**8. Staff costs**

	<b>2021</b>	2020
	<b>£</b>	£
Wages and salaries	<b><u>11,900</u></b>	<u>14,312</u>
	<b><u><u>11,900</u></u></b>	<u><u>14,312</u></u>

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

	<b>2021</b>	2020
	<b><u>2</u></b>	<u>2</u>
Freelance		

No employees received emoluments in excess of £60,000.

**9. Comparatives for the statement of financial activities**

	Unrestricted fund £	Restricted fund £	Total funds £
<b>Income and endowments from</b>			
Donations and legacies	18,004	16,554	34,558
<b>Expenditure on</b>			
<b>Charitable activities</b>			
Core	20,624	12,045	32,669
	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET INCOME/(EXPENDITURE)</b>	(2,620)	4,509	1,889

**Create Arts Development Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**9. Comparatives for the statement of financial activities - continued**

	Unrestricted fund £	Restricted fund £	Total funds £
<b>Reconciliation of funds</b>			
<b>Total funds brought forward</b>	3,659	730	4,389
	<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>	<u>1,039</u>	<u>5,239</u>	<u>6,278</u>

**10. Tangible fixed assets**

	Fixtures and fittings £
<b>Cost</b>	
At 1 April 2020 and 31 March 2021	<u><b>13,030</b></u>
<b>Depreciation</b>	
At 1 April 2020 and 31 March 2021	<u><b>13,030</b></u>
<b>Net book value</b>	
At 31 March 2021	<u><u>-</u></u>
At 31 March 2020	<u><u>-</u></u>

**11. Debtors: amounts falling due within one year**

	2021 £	2020 £
Trade debtors	<b>8,667</b>	-
Prepayments	<u><b>565</b></u>	<u>578</u>
	<u><u><b>9,232</b></u></u>	<u><u>578</u></u>

**Create Arts Development Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**12. Creditors: amounts falling due within one year**

	<b>2021</b>	2020
	£	£
Trade creditors	<b>990</b>	565
Other creditors	<b>784</b>	7,000
Accrued expenses	<b><u>1,555</u></b>	<u>990</u>
	<b><u>3,329</u></b>	<u>8,555</u>

**13. Analysis of net assets between funds**

	<b>Unrestricted fund £</b>	<b>Restricted fund £</b>	<b>2021 Total funds £</b>	2020 <b>Total funds £</b>
Current assets	<b>16,508</b>	<b>3,517</b>	<b>20,025</b>	14,833
Current liabilities	<b><u>(3,329)</u></b>	<u>-</u>	<b><u>(3,329)</u></b>	<u>(8,555)</u>
	<b><u>13,179</u></b>	<b><u>3,517</u></b>	<b><u>16,696</u></b>	<u>6,278</u>

	Unrestricted fund £	Restrict ed fund £	2020 Total funds £	2019 Total funds £
Fixed Assets	-	-	-	273
Current Assets	2,594	12,239	14,833	22,728
Current Liabilities	<u>(1,555)</u>	<u>(7,000)</u>	<u>(8,555)</u>	<u>(18,162)</u>
	<b><u>1,039</u></b>	<b><u>5,239</u></b>	<b><u>6,278</u></b>	<u>4,389</u>



**Create Arts Development Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**14. Movement in funds**

	1 April 2021 £	Incoming resources £	Resources expended £	31 March 2021 £
<b>Unrestricted funds</b>				
General fund	<u>1,039</u>	<u>27,717</u>	<u>(15,577)</u>	<u>13,179</u>
<b>Restricted funds</b>				
COAST Cultural Strategy	115	2,032	(233)	1,914
Big Ideas By the Sea	<u>5,124</u>	-	<u>(3,521)</u>	<u>1,603</u>
	<u>5,239</u>	<u>2,032</u>	<u>(3,754)</u>	<u>3,517</u>
 Comparatives				
	1 April 2019 £	Incoming resources £	Resources expended £	31 March 2020 £
<b>Unrestricted funds</b>				
General fund	<u>3,659</u>	<u>18,004</u>	<u>(20,624)</u>	<u>1,039</u>
<b>Restricted funds</b>				
COAST Cultural Strategy	-	129	(14)	115
Big Ideas By the Sea	-	10,000	(4,876)	5,124
Coastival	-	450	(450)	-
SCAMPs Choir (IMPS)	<u>730</u>	<u>5,975</u>	<u>(8,834)</u>	<u>-</u>
	<u>730</u>	<u>16,554</u>	<u>(12,045)</u>	<u>5,239</u>

**15. Related party disclosures**

There were no related party transactions for the year ended 31 March 2021.

**16 Subsequent Events**

As noted in the trustee's report, following a loss of anticipated funding, the Board took the decision at its meeting on 21 December 2021 to wind down the activities of the charity and to close it once existing reserves have been exhausted. The trustees' considered assessment is that the charity will be able to continue as a going concern until its dissolution.

**Create Arts Development Ltd**

**Detailed Statement of Financial Activities  
for the Year Ended 31 March 2021**

	2021 £	2020 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	94	4
Grants	<u>26,939</u>	<u>34,554</u>
	<b>27,033</b>	34,558
<b>Charitable activities</b>		
Fee income	<u>2,716</u>	<u>-</u>
<b>Total incoming resources</b>	<b>29,749</b>	34,558
<b>Expenditure</b>		
<b>Charitable activities</b>		
Staff costs	11,900	14,312
Rent	906	2,116
Insurance	644	1,442
Administration	570	365
Activity costs	4,175	13,046
Travelling and entertainment	-	33
Sundry expenses	146	92
Depreciation of tangible fixed assets	<u>-</u>	<u>273</u>
	<b>18,341</b>	31,679
<b>Support costs</b>		
<b>Governance costs</b>		
Independent examination	<u>990</u>	<u>990</u>
Total resources expended	<u>19,331</u>	<u>32,669</u>
<b>Net income</b>	<u><b>10,418</b></u>	<u><b>1,889</b></u>

This page does not form part of the statutory financial statements