

**CREATIVITY WORKS PRESTON
ANNUAL REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020**

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ANNUAL REPORT AND UNAUDITED ACCOUNTS
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**CREATIVITY WORKS PRESTON
COMPANY INFORMATION
FOR THE YEAR ENDED 31 JULY 2020**

Director	Steven Egan
Company Number	08969288 (England and Wales)
Registered Office	33 SHEPHERD STREET PRESTON PR1 3UE
Accountants	SMART ACCOUNTING (NW) LTD 239 RIBBLETON LANE PRESTON PR1 5EA

CREATIVITY WORKS PRESTON
(COMPANY NO: 08969288 ENGLAND AND WALES)
DIRECTOR'S REPORT

The director presents his report and accounts for the year ended 31 July 2020.

Directors

Steven Egan held office during the whole of the period.

Statement of directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law, the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company provisions

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

Signed on behalf of the board of directors

.....

Steven Egan
Director

Approved by the board on: 30 March 2021

CREATIVITY WORKS PRESTON
INCOME STATEMENT
FOR THE YEAR ENDED 31 JULY 2020

	2020	2019
	£	£
Turnover	359,953	334,440
Cost of sales	(175,335)	(93,962)
Gross profit	184,618	240,478
Administrative expenses	(259,417)	(222,621)
Other operating income	47,028	-
Operating (loss)/profit	(27,771)	17,857
Interest payable and similar charges	(7,748)	-
(Loss)/profit on ordinary activities before taxation	(35,519)	17,857
Tax on (loss)/profit on ordinary activities	-	-
(Loss)/profit for the financial year	(35,519)	17,857

CREATIVITY WORKS PRESTON
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	4	582	710
Current assets			
Debtors	5	12,811	50,073
Cash at bank and in hand		71,507	27,814
		<u>84,318</u>	<u>77,887</u>
Creditors: amounts falling due within one year	6	(59,495)	(17,673)
Net current assets		<u>24,823</u>	<u>60,214</u>
Net assets		<u>25,405</u>	<u>60,924</u>
Capital and reserves			
Profit and loss account		25,405	60,924
Shareholders' funds		<u>25,405</u>	<u>60,924</u>

For the year ending 31 July 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - Small Entities.

The financial statements were approved by the Board and authorised for issue on 30 March 2021 and were signed on its behalf by

Steven Egan
Director

Company Registration No. 08969288

1 Statutory information

2 Compliance with accounting standards

3 Accounting policies

4 Tangible fixed assets

5 Debtors: amounts falling due within one year

CREATIVITY WORKS PRESTON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2020

6 Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	50,000	-
Trade creditors	2,948	7,272
Taxes and social security	-	6,522
Other creditors	6,547	784
Loans from directors	-	3,095
	<hr/> 59,495	<hr/> 17,673
	<hr/>	<hr/>

7 Average number of employees

During the year the average number of employees was 0 (2019: 0).

**CREATIVITY WORKS PRESTON
DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JULY 2020**

This schedule does not form part of the statutory accounts.

	2020	2019
	£	£
Turnover		
Sales	359,953	334,440
Cost of sales		
Subcontractor costs	28,328	-
Other direct costs	147,007	93,962
	175,335	93,962
Gross profit	184,618	240,478
Administrative expenses		
Wages and salaries	150,417	135,650
Directors' salaries	8,011	24,150
Employer's NI	6,085	9,188
Temporary staff and recruitment	3,996	-
Staff training and welfare	23,762	1,352
Travel and subsistence	11,699	2,563
Rent	10,616	10,300
Rates	4,211	4,459
Light and heat	7,444	11,145
Telephone and fax	1,926	1,661
Stationery and printing	140	31
Subscriptions	1,341	1,591
Bank charges	76	69
Insurance	2,924	3,273
Equipment hire	14,382	6,483
Repairs and maintenance	8,389	6,781
Depreciation	128	155
Sundry expenses	-	767
Accountancy fees	3,480	1,441
Advertising and PR	390	383
Other legal and professional	-	1,179
	259,417	222,621
Other operating income		
Government grants	47,028	-
Operating (loss)/profit	(27,771)	17,857
Interest payable		
Other loans	7,748	-
(Loss)/profit on ordinary activities before taxation	(35,519)	17,857



CREATIVITY WORKS PRESTON

ANNUAL REPORT AUGUST 2019 TO JULY 2020

REPORT OF THE MANAGEMENT COMMITTEE FOR THE YEAR ENDED 31ST JULY 2020.

The Management Committee presents its directors' report and financial statements for the year ended 31st July 2020.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: Creativity Works Preston

Charity Registration number: 1161063

Company registration number: 8969288

REGISTERED OFFICE AND OPERATIONAL ADDRESS:

33 Shepherd Street

Preston

PR1 3UE

MANAGEMENT COMMITTEE

Mrs Hilary Anslow, Chair (resigned 30th September 2019)

Mr Bill Adams (Chair as of 30th September 2019)

Mr Russell Hogarth

Mr Paul Wallace

Mr David Walker

Miss Holly Breakell

SECRETARY

Miss Lauren Breakell

SENIOR MANAGEMENT TEAM

Mr Steve Egan Chief Executive

Mrs Anita McGreevy, Quality Manager

BANKERS

HSBC, 331 Lord St, Southport, PR8 1NJ

NatWest, Fishergate, Preston, PR1 2AD



INTRODUCTION FROM THE CHAIR

We were all saddened to receive the resignation of Hilary Anslow late last year. Hilary brought a level of expertise and inclusive working to the organisation which was a real example to all the staff at CWP. Her knowledge of the sector and commitment and empathy with our young people was exemplary and inspirational. I would personally and behalf of everyone connected to CWP like to send Hilary our thanks and best wishes for the future.

COVID

The COVID pandemic has hit our capacity to work with young people resulting in a small loss for the first time in our existence. The year has been very tough for all our staff, and for young people too. We became a covid secure establishment very quickly thanks to the diligence of our CEO and his staff team. I'm looking forward to resuming our organisation back to full capacity to what is a very valued service to the city and beyond.

Our staff team is greatly valued. They are an outstanding team of talented and loyal individuals, ably led our CEO Steve Egan and Anita McGreevy. You are all a credit to the organisation, your work and empathy with our young people is greatly appreciated and valued.

Bill Adams



INTRODUCTION FROM THE CHIEF EXECUTIVE

There is only one word that can be used to describe the past year, unprecedented! However, that now over used adjective doesn't do justice to the roller coaster ride we have all had to participate in over the past 12 months or so.

It should be obvious to all that having had to close down our centre to current and potential students was always going to have an impact on the bottom line and CWP is no different to other charities and businesses in posting a loss for the year, the first in our history and hopefully the last.

The fact that we are still here today is thanks in no small part to the flexibility and support of our staff and partner organisations who maintained their support in these difficult times-thank you to all. Particular thanks to the schools we work with who honoured agreements.

With the COVID situation still far from over it is difficult to make any significant or concrete plans. We will continue to follow Government guidance and where possible remain open for the most vulnerable of students.

I also want to thank the Trustees for continuing to support the organisation, giving up free time to do so should never be taken for granted and I certainly don't.

Finally, and behalf of all involved at CWP I would like to place on record our continued thanks to Chris Whalley of One File for the donation of licences for E portfolios and Vicky Keelan and family for continued use of the building. They have both made a difficult job a little bit easier.

Steve Egan



OUR AIMS AND OBJECTIVES

Our charity's purposes as set out in the objects contained in the company's Articles of association are to:

'provide alternative education to marginalised people who need to learn in a different way to the traditional education system. The crux of the learning environment and pedagogy is learning through doing. We do this by providing an inclusive, professional and supportive learning environment for individuals irrespective of their circumstances or background'.

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help.

The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities.

In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

As part of this review, we wanted to simplify and capture what we are about and it is simply:

to make learning fun!

THE FOCUS OF OUR WORK

Our focus continues to be the provision of education to people in need of alternative approaches. Specifically, we focus on learning by doing and Production Education.

The strategies we used to meet these objectives included:

- Hair and Beauty salon
- Art & Design production and making of goods
- Music making
- Video production for third sector organisations.
- Working in partnership with other agencies to secure the widest range of services is available that best matches the needs of people of Preston and surrounding areas.

HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT

Our main activities and who we try to help are described below. All our charitable activities focus engaging people who are marginalised from mainstream society. Through engagement in our programmes individuals are up skilled, develop confidence and self-esteem which in turn moves them closer to the job market and become more active and productive citizens.



WHO USED AND BENEFITED FROM OUR SERVICES?

In the last 12 months we have delivered:

- an alternative education programme with 9 local schools and specials schools
- Successfully delivered a ESF sub-contract Programme in partnership with LESEP offering employability and a vocational qualification to people aged 16+

In total, we have worked with:

- 50 young people ages 13-16
- 7 young people aged 16+

Of the post 16 learners 100% were not in employment, education or training [NEETs].

- 38 Young people had Special Education Needs.
- 10 Were in the care system.

Qualification achievement rate: 72%

Retention rate: 81%



GOVERNANCE, STAFFING AND QUALITY

The organisation is a charitable company limited by guarantee, incorporated on 1st April 2014 and registered as a charity on 27th March 2015.

We have established a brilliant, diverse and committed management board to oversee our continuous improvement. We are conscious of the need to have a board of trustees that reflect the local community. All our Trustees are from Preston and have connections with Education and Training in their personal careers.

TRUSTEE INDUCTION AND TRAINING

Most trustees are already familiar with the practical work of the charity having been involved in one capacity or another with similar charities or organisations in the past.

All trustees are invited and encouraged to attend a series of short training sessions (of no more than an hour) to familiarise themselves with the charity and the context within which it operates.

STAFFING & QUALITY

In 2019-20 we employed
10 individuals, 6 males, 4 females

Our core team consists of
6 FT members of staff and 4 PT

Our teams are split into two main areas:
Learning Support, consisting Quality manager, Administrator and Site Manger

Delivery team:
Music (2), Hair and Beauty, Art & Design, Film and Maths & English.

FINANCE

As a local charity we believe in transparency with regards income and expenditure full details to be found in our published accounts.

In relation to income the main sources were from schools, grants and ESF with salaries accounting for the bulk of expenditure.

PRINCIPAL FUNDING SOURCES

Curious Minds
Youth Music
Erasmus Plus
Schools
ESF-Subcontract with LSEP
Donations
One File Ltd
Gainsborough Floorings



RESERVES POLICY

Our aim is to make a yearly surplus to build a sustainable charity that serves as many people as possible. We aim to hold reserves equivalent to 3 months' running costs, invest in facilities, in staff and in trainees.

The Management Committee has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be 3 months of the expenditure. Therefore, the target is £60,000 in general funds.

The reserves are needed to meet the working capital requirements of the charity and the Management Committee are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

PLANS FOR FUTURE PERIODS

Increase income to £400,000.

Invest in specialist staff for employment and pastoral support.

Explore EFA/SFA contracting.

Deliver high quality training.