

Company number: 7737871

Charity Number: 1147150

Cre8 Macclesfield Ltd

Report and financial statements
For the year ended 31st August 2017

Cre8 Macclesfield Ltd

Reference and administrative information

for the year ended 31st August 2017

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:

Rev. David Mock (Resigned 30 April 2017)
Rev. Robert Wardle
Ameera Fletcher
Ruth Thompson
Phillips Mosscrop (Resigned 12 June 2017)
Jennifer Hardy
Jayne Shaw
Martin Clarke Treasurer
James Andrew Booth (Appointed 19 October 2017)
Adam Small (Appointed 26 November 2017)
Andrea Fitton (Appointed 26 November 2017)

Secretary Katy Wardle

Key management personnel Rev Robert Wardle Director
Katy Wardle
Thomas Wardle
Sarah Postlewhite
Keirra Bexon
Ashley Heathcote
Steve Drake
Simon White

Bankers Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

Independent examiner Catherine Hall FCCA DChA
Slade & Cooper Limited
Greenfish Resource Centre
46-50 Oldham St
Manchester
M4 1LE

Cre8 Macclesfield Ltd
Trustees' annual report
for the year ended 31st August 2017

The trustees present their report and the unaudited financial statements for the year ended 31st August 2017. 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 are:

- 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

We have delivered the following regular activities for the public benefit over the past year. We set out to provide innovative and life-changing ways of working with young people and the local community.

- **Cre8 Music:** Our music project is in its sixth year and we have now had our third recommendation from the National Foundation for Youth Music; a wonderful achievement for everyone who is involved. Cre8 Music runs on three days per week as an after-school activity. In addition, we put on concerts at least three times per year, we run trips to music events and workshops during school holidays and residential for community building. In January this year we began to deliver a focused weekly teaching session to a group of 6 young people who want to progress their music skills and knowledge. The group are working towards a qualification in music performance which is awarded by NOCN (National Open College Network). Cre8's professional music tutors and practitioners deliver the course to the group that studies together each week. This is a HUGE progression for us and for the young people. The performance unit they are currently working on is challenging. As the young people progress their learning we can see how much their individual performance skills and confidence are improving as they learn and reflect on their musical identities.
- **Learning Plus:** Cre8 'Learning Plus' is our One-to-One Education project which has been running for seven years. It began because we knew there was a need for those who didn't or wouldn't go in to school full time. Today, our project takes referrals from schools across the county. We average around 1000 two-hour sessions in a school year and since we began we've had 94 young people come to Cre8 education sessions. Cre8 Learning Plus continues to be a significant contributor to 'Alternative Education' for schools in our area.

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- Clubs: We've been running Youth Club nights since Cre8 first began in 2006; 11 years of games, challenges, cooking and sharing meals, informal learning, making things, arts and crafts, building community and adventures! Our young leaders programme, encouraging older young people (aged 14-16) to volunteer regularly at Clubs has really taken off this year. It's been wonderful to see young people value the training and learning in youthwork and safeguarding principles of making everyone happy in a safe environment; all this alongside enjoying Club night themselves. We are looking forward to developing the young leaders programme in 2018.
- Bike Shed: during the spring/summer we have run a bike maintenance project – teaching young people how to look after and fix their bikes and scooters. We also take in donated bikes and fix them up to give to young people and members of the community.
- Residentials: Residentials are intense youthwork and 'intervention'. Youth workers (voluntary and paid) are with a group of young people for the whole time; everything is done together. You share the fun adventures and experiences, like treasure hunts around an ancient church in Tatton or abseiling down a cliff at Camas, and we share the chores, the tiredness, the grumpiness and the cooking. We fallout and we reconcile and importantly we learn to get along. Young people learn that it is OK to try - to just have a go. More of the world is revealed - you may think you've done camping but come along on a Cre8 residential and young people will help you experience that all over again with fresh eyes, ears, and senses!
- Cre8 Jobs: We believe in work; contributing to society and to our communities. It's an important part of everything we do at Cre8. For the last 10 years we have run some form of work experience project. Over the last couple of years this has evolved into our Cre8 Jobs project. We give young people supported work experience to improve their skills and readiness for work. This has been focussed on young people aged 14 and upwards. We support young people and young adults who are 'hardest to reach' and the least likely to be recruited, trained and employed in the 'outside' world. Often, they are the least likely to hold down a job. For this work experience we don't employ the young people, instead they do get free food and trips as a reward. The work experience does prepare them for employment, which might be in one of our social enterprises if work is available.
- Cre8 Facilities – social enterprise business: Cre8 Facilities is one of our social enterprises; delivering a high-standard fleet washing service to Creamline Dairies in Manchester. Cre8 has delivered this commercial contract for Creamline for the past four years, ensuring their vehicles, including 250 milk floats, are cleaned and jet-washed on a two week cycle. Because Creamline give Cre8 this regular financial contract, we are able to provide supported employment experience for young people and young adults who are ably led by one of our experienced Team Leaders. We are honoured and extremely proud that Creamline's support of Cre8 Facilities won the top prize for Outstanding Charity Support at the North West Charity Awards. The unique and innovative way in which they support Cre8, by working in partnership to provide a commercial contract whilst also providing support and understanding because of the challenges of employing hard-to-reach young people, deserved to be recognised and rewarded. This partnership is a great way for business and charity to come together.
- Cre8 Works – social enterprise business: The past 2 years have seen some up and downs for our social enterprise Cre8 Works. We lost our regular Peaks and Plains Housing Trust grounds maintenance contract at the beginning of 2016. Whilst Peaks and Plains were very pleased with our work, and they received high levels of tenant satisfaction, unfortunately due to budget constraints Peaks and Plains could not continue to offer our pathway maintenance service. To make Cre8 Works a success we need businesses and other organisations to support us by wanting to support young people, by offering sustainable long term (minimum 2 years)

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Trustees' annual report
for the year ended 31st August 2017

contracted work to us. In the absence of a suitable long term contract, it was decided to withdraw from tree work altogether and for Cre8 Works to cease trading at the end of August 2017, with any smaller grounds maintenance jobs to be done by Cre8 Jobs within the charity itself. We hope to find another long term contract in the near to medium future, so that Cre8 Works can resume trading and contributing to Cre8's charitable objectives.

- Community events: Over the past 12 months we have organised, hosted and held several one-off events such as the Cre8 Festival, Christmas Feast and Food Giveaway, Spring Fair, Clothing Boutique, Concerts and much more. We do community events to build confidence, capacity and resilience in the community by bringing people together demonstrating that we can all do things for each other. This gives the community an experience of the self-help model, where people learn to make change happen for themselves.

The trustees review the aims, objectives and activities of the charity each year. 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.

All trustees have confirmed in writing that they have read CC03 with respect to understanding their roles and responsibilities as trustees.

Several trustees have attended training related to Charity Governance and have reported back to the trustee team.

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 Ltd's charitable purposes for the public benefit.

We have built capacity, resilience and developed a self-help model by reducing what corrodes and gnaws away at 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 a sense of community.

Our performance and achievements have included:

- Supporting young people to get back into mainstream or specialist school through our Learning Plus project
- Providing young people with employment through Cre8 Jobs and the Cre8 Works and Cre8 Facilities social enterprise businesses
- Training young adults to run their own projects
- Developing, training and supporting young volunteers to help deliver projects
- Tutoring young people and supporting them to take professional Music Exams
- Tutoring young people to gain NOCN qualifications in Developing Practical Skills and Music Performance
- Delivering Music Concert performances entirely with young people
- Taking young people on residentials
- Cooking and sharing healthy meals together with young people

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- Delivering safeguarding training to young people, young adults and volunteers as well as the wider Church community in Macclesfield
- Running community events organised by young people including the Cre8 Festival
- Increased self-reliance therefore less dependency on state benefits and support
- Increased educational performance at school
- Increased employability skills
- Increased creativity

Beneficiaries of our services

There are 3 geographical categories of beneficiaries of our services. Young people and their families living on the Moss Rose Estate have benefited from our Clubs, Bike Shed, Music project and residential. Young people and their families living in Macclesfield have benefited from our Cre8 Jobs project, and our Works and Facilities social enterprise businesses. Young people and their families from Cheshire East have benefited from our Learning Plus project.

- Since 2011, when we introduced our current data collection system:-
 - 410 young people have registered as attending our projects
 - 34 young people have been employed by Cre8's social enterprise businesses
 - 68 volunteers, 37 employees and 11 youthwork students on extended placements have been involved in Cre8 projects
 - Almost 3000 music sessions have taken place (mixture of drop ins, lessons, concerts, teaching workshops etc)
- Also:-
 - Cre8 has run a club for secondary aged young people each week in school time since 2006 - over 400 club nights for ages 11-16.
 - Similarly, a club for primary school age young people has been running each week since 2010 - over 260 clubs nights for ages 8-10.
 - 57 residential sessions of varying durations (overnight sessions teaching young people life & social skills) have been run since 2006
 - almost 300 bike sessions (workshops, trips, rides etc) have also taken place

Financial review

2017 saw a marked improvement in the charity's financial position, mainly due to increases in income, in particular:-

- Increase in general donations (£15K)
- The donation of a minibus by Oliver Valves (£19K)
- Increase in gift aid from our 2 social enterprises (£17K)

In conjunction with tight control of our expenditure, we increased our total funds by nearly £26K in the year (2016: £28K decrease). At the end of the financial year total funds stood at £213K (2016: £187K), with cash balances totalling £173K (2016: £164K).

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Trustees' annual report
for the year ended 31st August 2017

Reserves policy

The current policy (as set out in 2016) is to maintain unrestricted reserves equivalent to at least 9 months' costs. However, this is now considered to be unnecessarily restrictive and out of line with sector norms, so we have decided to reduce the target to 6 months' costs, this to be kept under continuous review.

At August 2017, based on historical costs, unrestricted reserves were equivalent to 12.0 months' costs (2016: 12.4 months).

Plans for the future

We will continue to run our existing youth projects for the forthcoming year, including clubs, Bike Shed and residentials. We are very pleased to have been awarded another 3 years funding from the National Foundation for Youth Music to continue our Music project. We anticipate continued demand for our Learning Plus project from referring agencies, and therefore plan to continue with this project for the foreseeable future. Our social enterprise businesses will continue whilst we have paid contracts and work for them to do. We are currently assessing the need for any additional projects and this may include a specifically health related project.

Structure, governance and management

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.

The trustees are selected to ensure an appropriate balance of skills and experience and involvement in the local area. We have recently recruited 3 new trustees with specialist skills in Law, Social Care and Youth Work.

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, which include at least three representatives from St Barnabas' Church, Macclesfield. These representatives are nominated for appointment by the Cre8 Board of Trustees and whose nomination is confirmed by the Parochial Church Council of St Barnabas, which includes a Chair and a Treasurer.

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 total number of such guarantees at 31st August 2017 was 6 (2016: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Cre8 Macclesfield Ltd
Trustees' annual report
for the year ended 31st August 2017

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 pay scale which includes 7 pay grades. The grades and job descriptions are benchmarked to national data available for our sector.

Risk management

The trustees meet regularly 4 times a year where they consider and approve financial reports prepared by the Treasurer and Finance Committee. We operate a reserves policy of 6 months' costs (see above).

Trustees have identified a number of key risk areas, which the Finance Committee review at least quarterly. For those considered to be high risk areas, trustees require a report from the Director that addresses those areas at each trustee meeting.

Trustees have 3 additional meetings a year where they discuss future strategic planning; organisation review and the following year's budget for the charity.

Cre8 Macclesfield Ltd
Trustees' annual report
for the year ended 31st August 2017

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 _____ and signed on their behalf by

Rob Wardle
Trustee

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

I report on the accounts of the company for the period ended 31 August 2017 which are set out on pages 10 to 26.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Catherine Hall FCCA DChA
Slade & Cooper Limited
Green Fish Resource Centre
46-50 Oldham Street
Manchester
M4 1LE

Date

Cre8 Macclesfield Ltd
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 August 2017

	Note	Unrestricted funds £	Restricted funds £	Total funds 2017 £	Total funds 2016 £
Income from:					
Donations and legacies	3	64,910	-	64,910	25,829
Charitable activities	4	104,101	54,658	158,759	167,126
Investments	5	17,733	-	17,733	643
Total income		186,744	54,658	241,402	193,598
Expenditure on:					
Charitable activities	6	183,203	32,481	215,684	221,953
Total expenditure		183,203	32,481	215,684	221,953
Net income/(expenditure) before net gains/(losses) on investments		3,541	22,177	25,718	(28,355)
Net income/(expenditure) for the year	8	3,541	22,177	25,718	(28,355)
Transfer between funds		-	-	-	-
Net movement in funds for the year		3,541	22,177	25,718	(28,355)
Reconciliation of funds					
Total funds brought forward		178,824	8,271	187,095	215,450
Total funds carried forward		182,365	30,448	212,813	187,095

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 2017

	Note	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	14		20,091		-
Current assets					
Debtors	15	34,659		48,462	
Cash at bank and in hand	16	173,170		163,501	
Total current assets		207,829		211,963	
Liabilities					
Creditors: amounts falling due in less than one year	17	(15,107)		(24,868)	
Net current assets			192,722		187,095
Total assets less current liabilities			212,813		187,095
Net assets			212,813		187,095
The funds of the charity:					
Restricted income funds	18		30,448		8,271
Unrestricted income funds	19		182,365		178,824
Total charity funds			212,813		187,095

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 26 form part of these accounts.

Approved by the trustees on ___/___/___ and signed on their behalf by:

Rev. Rob Wardle (Trustee)

Martin Clarke (Trustee)

Cre8 Macclesfield Ltd
Statement of Cash Flows
for the year ending 31 August 2017

	Note	2017 £	2016 £
Cash provided by/(used in) operating activities	21	12,027	(10,281)
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		17,733	643
Proceeds from sale of tangible fixed assets		-	-
Purchase of tangible fixed assets		(20,091)	-
Proceeds from sale of investments		-	-
Purchase of investments		-	-
Cash provided by/(used in) investing activities		(2,358)	643
Increase/(decrease) in cash and cash equivalents in the year		9,669	(9,638)
Cash and cash equivalents at the beginning of the year		163,501	173,139
Cash and cash equivalents at the end of the year		173,170	163,501

Notes to the accounts for the year ended 31 August 2017

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity has taken advantage of the exemption available to small charities, and has not prepared consolidated accounts. The date of transition is 1st September 2014.

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 2017 (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 2017 (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:

Motor Vehicles	33%
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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 2017 (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 was £5 of contributions outstanding at the year end (2016: £2,007).

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 2017 £	Total 2016 £
Donations				
General	41,110	-	41,110	25,829
Oliver Valves	5,000	-	5,000	-
Donated assets	18,800	-	18,800	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total	64,910	-	64,910	25,829
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total by fund 31 August 2016</i>	25,829	-	25,829	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

Cre8 Macclesfield Ltd

Notes to the accounts for the year ended 31 August 2017 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2017 £	Total 2016 £
Grants and contracts				
The Swallow Trust	30,000	-	30,000	35,000
Cheshire East Family Service- Early Intervention and Prevention Service	17,045	-	17,045	19,480
Youth Music	-	34,705	34,705	18,852
Cheshire Community Foundation	-	19,703	19,703	13,800
PPHT Grant	-	250	250	-
Community Plus	-	-	-	4,000
Comic Relief Local Communities Programme	-	-	-	3,805
Community Grants (Events)	-	-	-	960
Cash For Kids	-	-	-	1,000
Arbonne	-	-	-	3,510
Macclesfield Town Council	-	-	-	1,200
	<hr/>	<hr/>	<hr/>	<hr/>
	47,045	54,658	101,703	101,607
	<hr/>	<hr/>	<hr/>	<hr/>
Fees and other income				
Contract Work	50,763	-	50,763	57,449
Fund Raising	4,643	-	4,643	4,130
Other income	1,650	-	1,650	3,940
	<hr/>	<hr/>	<hr/>	<hr/>
	57,056	-	57,056	65,519
	<hr/>	<hr/>	<hr/>	<hr/>
Total	104,101	54,658	158,759	167,126
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<i>Total by fund 31 August 2016</i>	<i>119,999</i>	<i>47,127</i>	<i>167,126</i>	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	

5 Investment income

	Unrestricted £	Restricted £	2017 £	2016 £
Income from bank deposits	99	-	99	333
Gift aid from Subsidiary	17,634	-	17,634	310
	<hr/>	<hr/>	<hr/>	<hr/>
	17,733	-	17,733	643
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cre8 Macclesfield Ltd

Notes to the accounts for the year ended 31 August 2017 (continued)

6 Analysis of expenditure on charitable activities

	Total 2017 £	Total 2016 £
Staff costs	155,092	148,411
Subcontractors	6,859	7,647
Volunteers	1,579	3,951
Travel	5,523	5,623
Repairs and Maintenance	2,230	3,545
Residential and Catering	10,542	14,425
Activities, materials and resources	4,190	5,406
Premises	4,112	5,819
Administration	4,837	6,077
Equipment	2,064	5,455
Insurance	9,286	8,588
Other Professional fees	243	119
Miscellaneous	6,787	1,520
Bad Debt Expense	-	2,919
Governance costs (see note 7)	2,340	2,448
	<hr/>	<hr/>
	215,684	221,953
	<hr/> <hr/>	<hr/> <hr/>
	2017 £	2016 £
Restricted expenditure	32,481	48,856
Unrestricted expenditure	183,203	173,097
	<hr/>	<hr/>
	215,684	221,953
	<hr/> <hr/>	<hr/> <hr/>

7 Analysis of governance costs

	2017 £	2016 £
Accountancy services	2,340	2,448
	<hr/>	<hr/>
	2,340	2,448
	<hr/> <hr/>	<hr/> <hr/>

Cre8 Macclesfield Ltd

Notes to the accounts for the year ended 31 August 2017 (continued)

8 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2017 £	2016 £
Independent examiner's fee		
Independent examination	540	540
Accountancy	1,410	1,500
	<u> </u>	<u> </u>

9 Staff costs

Staff costs during the year were as follows:

	2017 £	2016 £
Wages and salaries	181,606	207,808
Social security costs	8,233	9,560
Pension costs	4,064	5,457
	<u> </u>	<u> </u>
	<u>193,903</u>	<u>222,825</u>

During the year £38,811 (2016: £74,414) of the above costs were recharged to the charity's two subsidiaries.

No employee has employee benefits in excess of £60,000 (2016: Nil).

The average number of staff employed during the period was 19.4 (2016: 21).

The average full time equivalent number of staff employed during the period was 8.8 (2016: 10.6).

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 £143,879 (2016: £167,554).

Cre8 Macclesfield Ltd

Notes to the accounts for the year ended 31 August 2017 (continued)

10 Trustee remuneration and expenses

One trustee, Robert Wardle, was paid as an employee £44,859 (2016: £43,913) by the charity in the year. Katy Wardle, his daughter was paid as an employee £24,337 (2016: 23,889) by the charity in the year and Tom Wardle, his son was paid as an employee £23,997 (£19,066) by the charity in the year.

The employment of Robert Wardle 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 (2016: Nil).

No trustees received travel and subsistence expenses during the year (2016:£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 Works Ltd

	2017	2016
	£	£
Transactions in the period comprised:		
Gift Aid payment from subsidiary	5,836	-
Recharge of expenses to subsidiary	28,272	48,579
Balance owed by/(to) the subsidiary at period end	6,845	10,448

Cre8 Facilities Limited

	2017	2016
	£	£
Transactions in the period comprised:		
Gift Aid payment from subsidiary	11,799	310
Recharge of expenses to subsidiary	15,771	25,913
Balance owed by/(to) the subsidiary at period end	12,417	11,255

Cre8 Macclesfield Ltd

Notes to the accounts for the year ended 31 August 2017 (continued)

12 Government grants

The government grants recognised in the accounts were as follows:

	2017 £	2016 £
Cheshire East Family Service	17,045	19,480
Macclesfield Town Council	-	1,200
	17,045	20,680
	17,045	20,680

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

	Motor Vehicles £	Total £
Cost		
At 1 September	-	-
Additions	20,091	20,091
Disposals	-	-
	20,091	20,091
At 31 August 2017	20,091	20,091
Depreciation		
At 1 September	-	-
Charge for the year	-	-
Disposals	-	-
	-	-
At 31 August 2017	-	-
Net book value		
At 31 August 2017	20,091	20,091
At 31 August 2016	-	-

Cre8 Macclesfield Ltd

Notes to the accounts for the year ended 31 August 2017 (continued)

15 Debtors

	2017 £	2016 £
Fees Receivable	11,412	14,252
Cre8 Works Ltd	6,845	10,448
Cre8 Facilities Limited	12,417	11,255
Gift aid claim	3,527	3,222
Prepayments	458	9,285
	<hr/>	<hr/>
	34,659	48,462
	<hr/> <hr/>	<hr/> <hr/>

16 Cash at bank and in hand

	2017 £	2016 £
Short term deposits	144,438	134,351
Cash at bank and on hand	28,732	29,150
	<hr/>	<hr/>
	173,170	163,501
	<hr/> <hr/>	<hr/> <hr/>

17 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	261	9,440
Other creditors and accruals	11,585	11,686
Taxation and social security costs	3,261	3,742
	<hr/>	<hr/>
	15,107	24,868
	<hr/> <hr/>	<hr/> <hr/>

Cre8 Macclesfield Ltd

Notes to the accounts for the year ended 31 August 2017 (continued)

18 Analysis of movements in restricted funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2017 £
Youth Music	-	34,705	(19,840)	-	14,865
Santander Community Plus	2,999	-	(2,068)	-	931
Comic Relief Local Communities Programme	463	-	(463)	-	-
Cheshire Community Foundation	4,809	19,703	(10,037)	-	14,475
Peaks and Plains Housing trust	-	250	(73)	-	177
Total	8,271	54,658	(32,481)	-	30,448
Previous Reporting Period	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2016 £
Youth Music	-	18,852	(18,852)	-	-
Church and Community Fund	10,000	-	(10,000)	-	-
Community Plus	-	4,000	(1,001)	-	2,999
Comic Relief Local Communities Programme	-	3,805	(3,342)	-	463
Cheshire Community Foundation	-	13,800	(8,991)	-	4,809
Cheshire East Community Grants (Events)	-	960	(960)	-	-
Cash For Kids	-	1,000	(1,000)	-	-
Arbonne	-	3,510	(3,510)	-	-
Macclesfield Town Council	-	1,200	(1,200)	-	-
Total	10,000	47,127	(48,856)	-	8,271

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.
Community Plus	Bike Shed project
Comic Relief Local Communities Programme	Mayfield Wildlife Pond project
Cheshire Community Foundation	To continue to develop the existing project for the salary of Education Support Worker and Social Enterprise4 Support Worker
Community Grants (Events)	Cre8 Festival 2016 - True Light
Cash For Kids	Bike project
Arbonne	Camas Residential project
Macclesfield Town Council	Refurbishment of the Building
PPHT Grant	Trips for young people

Cre8 Macclesfield Ltd

Notes to the accounts for the year ended 31 August 2017 (continued)

19 Analysis of movement in unrestricted funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers £	As at 31 August 2017 £
General fund	178,824	186,744	(183,203)	-	182,365
	<u>178,824</u>	<u>186,744</u>	<u>(183,203)</u>	<u>-</u>	<u>182,365</u>

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers £	As at 31 August 2016 £
General fund	205,450	146,471	(173,097)	-	178,824
	<u>205,450</u>	<u>146,471</u>	<u>(173,097)</u>	<u>-</u>	<u>178,824</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	20,091	-	-	20,091
Net current assets/(liabilities)	162,274	-	30,448	192,722
	<u>182,365</u>	<u>-</u>	<u>30,448</u>	<u>212,813</u>

Cre8 Macclesfield Ltd

Notes to the accounts for the year ended 31 August 2017 (continued)

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

	2017 £	2016 £
Net income/(expenditure) for the year	25,718	(28,355)
Adjustments for:		
Dividends, interest and rents from investments	(17,733)	(643)
Decrease/(increase) in debtors	13,803	(201)
Increase/(decrease) in creditors	(9,761)	18,918
	<hr/>	<hr/>
Net cash provided by/(used in) operating	12,027	(10,281)
	<hr/> <hr/>	<hr/> <hr/>