

Registered number: 04404746
Charity number: 1096890

CREATIVE RESPONSE (ARTS) LIMITED
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

CREATIVE RESPONSE (ARTS) LIMITED
(A company limited by guarantee)

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CREATIVE RESPONSE (ARTS) LIMITED
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS BOARD OF TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Board of Trustees

Mr N Wren, Chairman (appointed Trustee 19 December 2018, appointed Chairman 1 June 2019)

Mr D Beaman (appointed Trustee 7 April 2020, appointed Director 19 July 2021)

Mr D Savage (appointed Trustee 1 May 2018, appointed Director 19 July 2021)

Mrs R Gunn (appointed Trustee 10 September 2020, appointed Director 19 July 2021)

Mr C Graham (resigned Trustee 24 May 2021, resigned Director 24 May 2021)

Mrs C O'connor (appointed Trustee 6 August 2020, appointed Director 19 July 2021)

Company registered number

04404746

Charity registered number

1096890

Registered office

Vernon House
28 West Street
Farnham
Surrey
GU9 7DR

Company secretary

Miss H Dix (resigned 2 September 2021)

Patron

Mrs Perdita Hunt OBE

Accountants

Wise & Co
Chartered Accountants
Wey Court West
Union Road
Farnham
Surrey
GU9 7PT

CREATIVE RESPONSE (ARTS) LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Creative Response (Arts) Limited for the year ended 31 March 2021.

The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Structure, governance and management

a. CONSTITUTION

Set up in 1993, Creative Response became a company limited by guarantee in 2003 with company registration number 04404746 (England and Wales) and was set up by memorandum and articles of association on 7 April 2003. It is a registered charity, registration number 1096890 (England and Wales).

The principal object of the company is to provide an arts for wellbeing service to people who live in Surrey and North East Hampshire.

The charity's administrative function comprises a financial support person and an administrator, both working 2-3 days per week.

A team of paid Arts Workers and volunteers, as well as student placements from Universities and Colleges run the sessions for participants.

There have been no changes in the objectives since the last annual report.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Each new trustee needs to be proposed and then seconded by current Trustees. Once appointed, they then attend the regular Trustee meetings. In addition to this each Trustee will specialise in their own area of interest/expertise in order to assist the Charity.

CREATIVE RESPONSE (ARTS) LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

c. ORGANISATIONAL STRUCTURE AND DECISION MAKING

Creative Response (Arts) Limited, as an organisation, has a board of trustees, usually six but the board by its governing document may continue to manage with two trustees.

Creative Response (Arts) Limited has a Chief Officer assisted by an administrator, a finance person, 12 arts workers and 7 volunteers. We use practising artists who on a work part time, self-employed basis.

All Trustees, Staff, Arts Workers and Volunteers receive DBS checks on a regular basis. Trustees received no remuneration or benefits, no staff received a remuneration of over £60,000. Our highest paid member of staff received remuneration and benefits of £24,241.82 in the financial year reported.

The Chief Officer has overall responsibility for the day-to-day management of the organisation. Hannah Dix resigned on 2 September 2021 in order to look after her recently bereaved father. The charity is currently recruiting a replacement and hopes to have a suitably qualified person in place by December 2021. We would like to thank Hannah for her hard work, dedication and overall contribution to the charity during the especially challenging times of the Covid-19 pandemic.

The company has developed a strategic plan, which has the following as its primary objectives:

- Provide participants with a safe space to enable them to develop coping mechanisms and resilience, new skills through art and to enable them to live their lives to their fullest potential.
- Maintain our current range of services including:
 - Provision of a safe and caring environment
 - Use of art to help develop coping mechanisms
 - Provide opportunities to work on collaborative projects to enhance creative skills and experiences
 - Use events and exhibitions to showcase participants talents
 - Extend outreach program to support participants who cannot utilise the core facility
 - Provide support for those who are able and wish to become more independent
- Maintain our core values, ethos and behaviors, as these are part of our greatest strengths.
- Promote our Values:
 - Participants needs come first
 - Provide a supportive and caring people and environment
 - Developing everyone's potential
 - Understanding participants individual needs
- Environment
 - Remain in current premises.
 - Continue to develop collaborative partnership such as those developed with Daisy and Space2Grow as well as working with the Library and other charities to offer our services to more participants and enhance space available to disabled participants.
- Hours of Operation:
 - As a result of Covid-19 we have had to adapt our services. We now provide Covid-19 compliant face-to-face sessions Tuesday through Thursday 10 till 3. Friday 10 till 12 as well as remote zoom services Tuesday and Thursday afternoons. We provide music sessions on Friday afternoons.

CREATIVE RESPONSE (ARTS) LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management (continued)

- Funding Priorities are:
 - To protect existing funding base.
 - Ensure renewal of Catalyst block funding
 - Seek to increase funding base by exploring new sources
 - Engage with commissioners regarding social prescribing and future changes

As a result of Covid-19 the Charity suspended all services from our premises in Farnham and Cranleigh, on 23 March 2020 and closed our premises at Vernon House Farnham.

We gained sufficient funding through grants to enable us to offer online and open-air services throughout the summer and into spring 2021. We are extremely grateful for the support we received from Farnham and Surrey councils during this challenging period. We have successfully continued to provide services and support to our participants. As part of our response to the pandemic we launched our Re-Connect Service in July 2020, which provided Participants with the following support:

- Online Arts Services
- Supply of Arts packs and activity sheets by Post
- Open-air Arts sessions
- Telephone support to participants

All of the above was made possible through the generosity and support of the following organisations:

- Surrey County Council
- Community Foundation for Surrey
- Arts Council
- National Lottery
- Baring Foundation

With the easing of Covid-19 restrictions we re-launched covid-19 compliant face to face services at our Farnham premises in April 2021 whilst continuing to provide remote services for those participants who were unwilling or unable to come to the face to face sessions.

Objectives and Activities

a. POLICIES AND OBJECTIVES

Creative Response is an Arts for wellbeing charity working with individuals who are vulnerable due to physical, mental, learning difficulties and substance misuse problems. Practising artists work alongside participants to share skills, knowledge and creativity in a safe and supportive environment. This gives a new focus and the experience of engaging with life in a different way. The aim is to foster resilience and so enable them to move on to achieve greater independence and move on to different services.

CREATIVE RESPONSE (ARTS) LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and Activities (continued)

b. MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT

Creative Response is an independent, arts for wellbeing organisation established by professional practising artists who offer a unique, supportive environment, promoting personal resilience and wellbeing through art.

We offer creative sessions of person centred support, based on a foundation of mutual trust.

Transferable life skills gained through participation in art, craft, music and performance maintain wellbeing. An Outreach service is available for those struggling to access our service with a view to them joining the art group for the social element as well as the creativity.

There is a continuing emphasis on building resilience and independence.

We take referrals from Surrey, Hampshire and Berkshire through key workers, CPN, Occupational Therapist, GP, CMHRS, Adult Social Care and Self-Referral.

We run different sessions over four days a week at our offices in Farnham in Surrey, as well as on line sessions. Sadly as a result of Covid-19 we have had to suspend our outreach sessions at Cranleigh. We also provide a creative writing group, a music session once per week and telephone support for those who cannot attend any sessions.

In addition, Creative Response has its own dedicated professional exhibition space that hosts seasonal exhibitions of our artists work. We have also developed relationships with local cultural organisations including University of the Creative Arts in Farnham, Cranleigh Arts Centre, Farnham Maltings, DAISY, Space2Grow and Stopgap Dance Company.

Finally, we have recognised the impact of the pandemic on our staff and arts workers and have started providing a counselling service for those who wish or need external support.

Achievements and performance

a. KEY FINANCIAL PERFORMANCE INDICATORS

At present statistics are submitted on a quarterly basis with case studies to Catalyst and Surrey County Council Partnership that provides details of the costs of our service and evidence of performance criteria related to the Recovery Star, referrals and discharges as well as other key performance indicators.

CREATIVE RESPONSE (ARTS) LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

b. REVIEW OF DEVELOPMENTS, ACHIEVEMENTS AND PERFORMANCE

Creative Response received in 2018, a three-year contract to be part of Community Connections and The Welcome Project, extended for a further year in 2021. The funding comes from Surrey County Council Partnership and is administered through Catalyst. This allows greater security and we are one of 9 partners, which aids the sharing of good practice and resources. Statistics and case studies need to be submitted quarterly but they are collated by Catalyst then sent to the SCC Commissioner as Welcome Project/community connections statistics.

Although the majority of our participants have enduring health issues we have continued to be successful in reducing hospital admissions, A and E visits, GP visits and have enabled participants to become more self sufficient and independent. We have encouraged the development of participants' creativity and as a result held a number of exhibitions by participants and enabled a small number to go on to take academic Arts degrees. A number of participants have also become more independent.

Despite the impact of the pandemic we have successfully maintained services either as a remote on line service or latterly with face-to-face sessions for those who are able to do so. The period of the pandemic has been particularly challenging for our participants and sadly a small number succumbed to the virus, they will be sadly missed. We are proud to have been able to support our participants throughout the pandemic and have through the use of technology been able to provide new types of service.

We have been extremely fortunate to benefit from grants and rent rebates from Surrey County council as well as Community Foundation for Surrey, Barings Foundation and many others.

Financial Review

a. GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. RESERVES POLICY

The Trustees have set a reserves policy to hold one month's operating costs to account for fluctuations in income.

c. PRINCIPAL FUNDING

Our Principal Funding comes from a combination of our contract through the Welcome Project, administered by Catalyst from Surrey County Council Partnership. This contract is worth £50,000 per annum and is for a period of three years. The contract is up for renewal in April 2022. In addition we have agreements to provide services to participants referred to us by Adult Social Care Surrey and NE Hampshire. Participants from these services are invoiced based upon sessions provided. In 2020/21 we have as part of our funding strategy been able to increase the number of private payments. The Friends Scheme and other donations have continued steadily throughout the year. We have also increased our funding through Grants from a wide range of sources. Specific projects and workshops are funded through separate fundraising. No income was received from outside of the UK.

CREATIVE RESPONSE (ARTS) LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Financial Review (continued)

d. RISK MANAGEMENT

The Trustees have reviewed our risk management policies and procedures and have assessed the major risks to which the company is exposed, in particular those related to Covid-19, funding and financial risk. The company is satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

In 2020/2021 we reviewed our Risk Controls, Business Continuity Plans and risk assessments as a result of the impact of the pandemic. We have also continued to review and improve our core policies and governance structures.

We are pleased to report that the Charity had no reportable incidents during the reporting year.

e. FUNDS

A significant portion of funds held are defined as restricted. See Section 11 for details of restricted funds.

f. RESULTS FOR THE YEAR

The results for the year and the financial position of the company are as shown in the annexed financial statements.

g. SMALL COMPANY PROVISIONS

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

The report has also been made with regard to the Charity Commission Guidance on Public Benefit.

CREATIVE RESPONSE (ARTS) LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

The Trustees 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 financial statements 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Mr N Wren

Date: 11 November 2021

CREATIVE RESPONSE (ARTS) LIMITED
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Independent examiner's report to the Trustees of Creative Response (Arts) Limited ('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 Trustees of the company (and 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 the company's accounts 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.

CREATIVE RESPONSE (ARTS) LIMITED
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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

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.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed: *M. Dickinson*

Dated: *16/11/2021*

Mark Dickinson

FCA

Wise & Co
Chartered Accountants and Statutory Auditors
Wey Court West
Union Road
Farnham
Surrey, GU9 7PT

CREATIVE RESPONSE (ARTS) LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	2	109,014	66,120	175,134	167,797
Total income		<u>109,014</u>	<u>66,120</u>	<u>175,134</u>	<u>167,797</u>
Expenditure on:					
Charitable activities	3	48,957	46,406	95,363	176,178
Total expenditure		<u>48,957</u>	<u>46,406</u>	<u>95,363</u>	<u>176,178</u>
Net movement in funds		<u>60,057</u>	<u>19,714</u>	<u>79,771</u>	<u>(8,381)</u>
Reconciliation of funds:					
Total funds brought forward		24,055	9,075	33,130	41,511
Net movement in funds		60,057	19,714	79,771	(8,381)
Total funds carried forward		<u>84,112</u>	<u>28,789</u>	<u>112,901</u>	<u>33,130</u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 27 form part of these financial statements.

CREATIVE RESPONSE (ARTS) LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 04404746

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	7	1,635	2,181
		<u>1,635</u>	<u>2,181</u>
Current assets			
Debtors	8	12,919	11,943
Cash at bank and in hand		107,119	37,056
		<u>120,038</u>	<u>48,999</u>
Creditors: amounts falling due within one year	9	(8,772)	(18,050)
Net current assets		<u>111,266</u>	<u>30,949</u>
Total assets less current liabilities		<u>112,901</u>	<u>33,130</u>
Net assets excluding pension asset		<u>112,901</u>	<u>33,130</u>
Total net assets		<u><u>112,901</u></u>	<u><u>33,130</u></u>
Charity funds			
Restricted funds	11	28,789	9,075
Unrestricted funds	11	84,112	24,055
Total funds		<u><u>112,901</u></u>	<u><u>33,130</u></u>

CREATIVE RESPONSE (ARTS) LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 04404746

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2021

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Mr N Wren

Date: 11 November 2021.

The notes on pages 14 to 27 form part of these financial statements.

CREATIVE RESPONSE (ARTS) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

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 financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Creative Response (Arts) Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company Status

The company is a company limited by guarantee. The members of the company are the Trustees named on page . In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Going concern

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

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

CREATIVE RESPONSE (ARTS) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

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

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed assets may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Fixtures and fittings	- 25% Reducing balance
-----------------------	------------------------

1.7 Debtors

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

1.8 Cash at bank and in hand

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

CREATIVE RESPONSE (ARTS) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

The company 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.

1.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company 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 company for particular purposes. The costs 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.

CREATIVE RESPONSE (ARTS) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Income from donations and grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	19,164	13,000	32,164
Grants	(2,144)	53,120	50,976
Government grants	80,556	-	80,556
Similar incoming resources	11,438	-	11,438
Total donations and legacies	109,014	66,120	175,134
	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	10,658	5,000	15,658
Grants	6,000	3,000	9,000
Government grants	108,464	-	108,464
Similar incoming resources	32,925	1,750	34,675
	158,047	9,750	167,797

3. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Visual arts-related activities	42,919	44,759	87,678
Expenditure on governance	6,038	1,647	7,685
	48,957	46,406	95,363

CREATIVE RESPONSE (ARTS) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

3. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Visual arts-related activities	160,188	5,393	165,581
Expenditure on governance	9,855	742	10,597
	<u>170,043</u>	<u>6,135</u>	<u>176,178</u>

4. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Governance costs 2021 £	Total funds 2021 £
Visual arts-related activities	87,678	-	87,678
Expenditure on governance	-	7,685	7,685
	<u>87,678</u>	<u>7,685</u>	<u>95,363</u>

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Visual arts-related activities	165,581	-	165,581
Expenditure on governance	-	10,597	10,597
	<u>165,581</u>	<u>10,597</u>	<u>176,178</u>

CREATIVE RESPONSE (ARTS) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Visual arts- related activities 2021 £	Total funds 2021 £
Salaries	23,030	23,030
Contractor cost	56,096	56,096
Rent and Rates	4,375	4,375
Travel and Entertainment	18	18
Printing, Postage & Stationary, Computer Costs, and Telephone	2,083	2,083
Cost of Goods Sold, Direct Expenses and Comissions	2,076	2,076
	87,678	87,678
	87,678	87,678
	<i>Visual arts- related activ 2020 £</i>	<i>Total funds 2020 £</i>
Salaries	16,699	16,699
Contractor cost	111,384	111,384
Rent and Rates	29,224	29,224
Travel and Entertainment	510	510
Printing, Postage & Stationary, Computer Costs, and Telephone	1,508	1,508
Cost of Goods Sold, Direct Expenses and Comissions	6,256	6,256
	165,581	165,581
	165,581	165,581

CREATIVE RESPONSE (ARTS) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Analysis of expenditure by activities (continued)

Analysis of support costs

	Governance 2021 £	Total funds 2021 £
Staff costs	1,212	1,212
Rent, rates and water	237	237
Insurance	775	775
Accountancy and legal fees	2,301	2,301
Depreciation	545	545
Other governance costs	2,615	2,615
	<u>7,685</u>	<u>7,685</u>
	<i>Visual arts- related activ 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	879	879
Rent, rates and water	1,444	1,444
Administration and other expenses	527	527
Insurance	732	732
Accountancy and legal fees	3,999	3,999
Depreciation	727	727
Other governance costs	2,289	2,289
	<u>10,597</u>	<u>10,597</u>

5. Independent examiner's remuneration

	2021 £	2020 £
Fees payable to the company's independent examiner for the independent examination of the company's annual accounts	<u>1,680</u>	<u>1,920</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Staff costs

	2021 £	2020 £
Wages and salaries	23,718	17,200
Contribution to defined contribution pension schemes	524	378
	<u>24,242</u>	<u>17,578</u>

The average number of persons employed by the company during the year was as follows:

	2021 No.	2020 No.
	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

There was no material difference between the average number of staff and the full time equivalent.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 1 April 2020	7,350
At 31 March 2021	7,350
Depreciation	
At 1 April 2020	5,169
Charge for the year	545
At 31 March 2021	5,714
Net book value	
At 31 March 2021	1,636
At 31 March 2020	2,181

8. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	1,006	3,531
Other debtors	-	2
Prepayments and accrued income	11,913	8,410
	12,919	11,943

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£	£
Trade creditors	217	6,880
Other taxation and social security	358	-
Other creditors	108	-
Accruals and deferred income	8,089	11,170
	<u>8,772</u>	<u>18,050</u>

10. Operating lease commitments

At 31 March 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	<i>2020</i>
	£	£
Not later than 1 year	21,865	21,865
Later than 1 year and not later than 5 years	38,878	60,743
	<u>60,743</u>	<u>82,608</u>

CREATIVE RESPONSE (ARTS) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
General Funds - all funds	24,055	109,014	(48,957)	84,112
Restricted funds				
Workshops	460	-	-	460
Cranleigh	605	3,000	(130)	3,475
Intern	4,240	-	-	4,240
Community Foundation	3,000	-	-	3,000
Computer Equipment	770	-	(172)	598
Community Garden Project	-	10,000	-	10,000
Infection Control	-	12,226	(12,226)	-
Provision of Remote Services	-	34,044	(32,468)	1,576
Runnymede Young Persons Outreach	-	4,950	-	4,950
Creative Writing Group	-	1,900	(1,410)	490
	<u>9,075</u>	<u>66,120</u>	<u>(46,406)</u>	<u>28,789</u>
Total of funds	<u><u>33,130</u></u>	<u><u>175,134</u></u>	<u><u>(95,363)</u></u>	<u><u>112,901</u></u>

CREATIVE RESPONSE (ARTS) LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

11. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2020 £</i>
Unrestricted funds				
General Funds - all funds	36,051	158,047	(170,043)	24,055
Restricted funds				
Workshops	460	-	-	460
Cranleigh	-	3,000	(2,395)	605
Intern	5,000	-	(760)	4,240
Community Foundation	-	3,000	-	3,000
Writing Workshops	-	1,000	(1,000)	-
Computer Equipment	-	1,000	(230)	770
October Craft Month	-	1,750	(1,750)	-
	<u>5,460</u>	<u>9,750</u>	<u>(6,135)</u>	<u>9,075</u>
Total of funds	<u><u>41,511</u></u>	<u><u>167,797</u></u>	<u><u>(176,178)</u></u>	<u><u>33,130</u></u>

12. Summary of funds

Summary of funds - current year

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 March 2021 £</i>
General funds	24,055	109,014	(48,957)	84,112
Restricted funds	9,075	66,120	(46,406)	28,789
	<u><u>33,130</u></u>	<u><u>175,134</u></u>	<u><u>(95,363)</u></u>	<u><u>112,901</u></u>

CREATIVE RESPONSE (ARTS) LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 April 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 31 March 2020</i>
	£	£	£	£
General funds	36,051	158,047	(170,043)	24,055
Restricted funds	5,460	9,750	(6,135)	9,075
	<u>41,511</u>	<u>167,797</u>	<u>(176,178)</u>	<u>33,130</u>

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021
	£	£	£
Tangible fixed assets	1,118	517	1,635
Current assets	91,766	28,272	120,038
Creditors due within one year	(8,772)	-	(8,772)
Total	<u>84,112</u>	<u>28,789</u>	<u>112,901</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020</i>	<i>Restricted funds 2020</i>	<i>Total funds 2020</i>
	£	£	£
Tangible fixed assets	1,491	690	2,181
Current assets	40,614	8,385	48,999
Creditors due within one year	(18,050)	-	(18,050)
Total	<u>24,055</u>	<u>9,075</u>	<u>33,130</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. Related party transactions

There have been no related party transactions in the reporting period that require disclosure.

15. Friends of Creative Response

	2021 £	2020 £
Incoming Resources	1,006	2,891
	<u>1,006</u>	<u>2,891</u>

The Friends Association is a vital source of support to the work of Creative Response, and since 2012 the amounts generated by the Friends of Creative Response have been recognised within these accounts. They have therefore added the above resources to the accounts.

16. Legal Status

The company is a charitable company, incorporated in England and Wales.

Its registered office is Vernon House, 28 West Street, Farnham, Surrey, GU9 7DR.