
PROJEKTS MCR LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

PROJEKTS MCR LIMITED

SOCIETY INFORMATION

Directors

Mr J Haines
Ms E Cunningham-Doyle (resigned 22 June 2023)
Mrs L Haines
Mr O Roberts
Mr G Oulds (resigned 26 April 2022)
Mr M Wilson
Mr V Mac Mahon
Ms C Vaughan
Ms H Brown (appointed 25 January 2022)
Mr G Wilson (appointed 25 January 2022)

Company secretary

Mr J Haines

Registered number

29726R

Registered office

97 London Road
City Centre
Manchester
M1 2PG

Accountants

The Alanbrookes Group Ltd
24 Glove Factory Studios
Holt
Wiltshire
BA14 6RL

PROJEKTS MCR LIMITED

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PROJEKTS MCR LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Principal activity

The principle activity of the society continued to be that of a skatepark.

Directors

The directors who served during the year were:

Mr J Haines
Ms E Cunningham-Doyle (resigned 22 June 2023)
Mrs L Haines
Mr O Roberts
Mr G Oulds (resigned 26 April 2022)
Mr M Wilson
Mr V Mac Mahon
Ms C Vaughan
Ms H Brown (appointed 25 January 2022)
Mr G Wilson (appointed 25 January 2022)

Small companies note

This report has been prepared in accordance with the special provisions relating to societies subject to the small companies regime under the Co-operative and Community Benefit Societies Act 2014.

This report was approved by the board and signed on its behalf.



Mr O Roberts
Director

Date: 7 July 2023



Ms H Brown
Director

Date: 7 July 2023



Mr J Haines
Secretary

Date: 7 July 2023

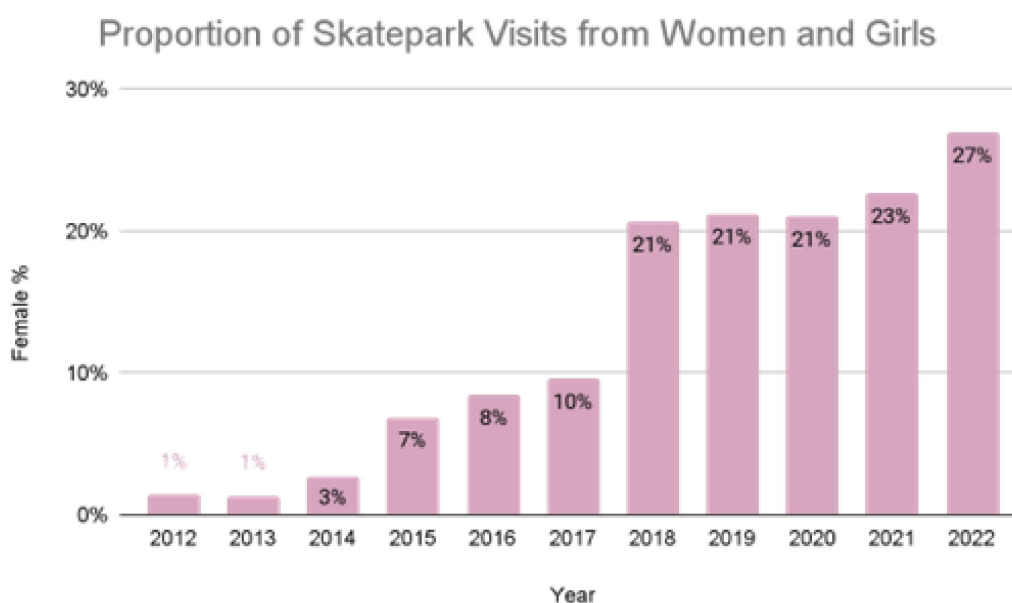
PROJEKTS MCR LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2022 was a landmark year for Projekts MCR. It was the first full financial year without any lockdown restrictions since the pandemic and despite a variety of challenges, has achieved greater impact than any previous year. The skatepark received 24,700 paid visits - our highest attended year by almost 4,000 visits (see graph below).



School skateboarding club attendance also experienced significant growth, from less than 5,000 in 2021 to 10,500 in 2022. Similarly, women and girls attendance saw another surge in numbers to almost 7,000 visits and reached a new milestone of 27% of all skatepark visits compared to 23% the previous year.

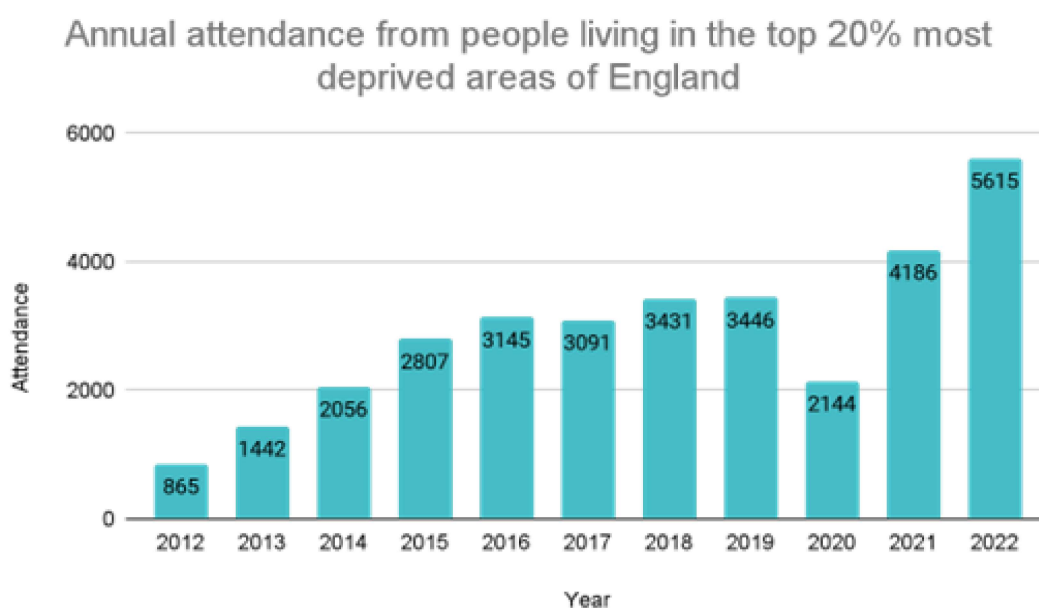


There has also been growth in young disabled visitors (100 more visits than last year) following a partnership

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

with local SEND specialist music charity, Billy & Andy's Music School, who have been delivering a joint funded project at the skatepark, delivering music and skateboarding lessons for children with special educational needs

Projekts' push to make skateboarding accessible to people from lower income backgrounds continues to produce higher participation from people living in areas of high deprivation, from 26% in 2021 to 28% in 2022.



There has been a small growth in turnover to £466k but a substantial rise in trading income, from £318k in 2021 to £356k in 2022, displacing a large drop in funding income, the majority of which was covid-related support.



Unfortunately, expenses have risen dramatically, particularly staff costs, which grew by £32k, and electricity

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

costs, which tripled from £5.3k in 2021 to £16k in 2022. Combined, expenses increased by £50k leading to a net loss of £5,233 for the year.

Entering 2023 with high inflation creates additional strain on the organisation as leisure activities will generally see a reduction in custom. In response to these economic challenges, Projekts is cutting staffing hours and developing its event venue offer to draw in additional revenue, particularly during the quieter months from May to August.

Projekts continues in its goal to make skateboarding accessible to everyone and to build positive community through skateboarding. We are aiming to double the number of weekly school sessions in 2023 from 20 to 40, to introduce even more children to skateboarding, and we are exploring various avenues to improve disability access at the skatepark through innovative equipment and training.

In order to continue impacting the lives of people in our community it's vital that Projekts remains focused on finishing 2023 in a financially strong position, growing its reserves and improving its efficiency wherever possible.

PROJEKTS MCR LIMITED

INDEPENDENT ACCOUNTANTS' REPORT UNDER SECTION 85 OF THE CO-OPERATIVE AND COMMUNITY BENEFIT SOCIETIES ACT 2014 TO THE DIRECTORS OF PROJEKTS MCR LIMITED FOR THE YEAR ENDED 31 DECEMBER 2022

We report to the members on the unaudited accounts for the year ended 31 December 2022 set out on pages 6 to 20.

RESPECTIVE RESPONSIBILITIES OF OFFICERS AND REPORTING ACCOUNTANTS

The society's officers are responsible for the preparation of the accounts, and they consider that the society is entitled to opt out of an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

This report is made to the society's members, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the the accounts that we have been engaged to compile; report to the society's members that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members, as a body, for our work or for this report.

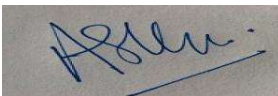
BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the society and making such limited enquiries of the officers of the society as we considered necessary for the purposes of this report. These procedures provide the only assurance expressed in our opinion.

OPINION

In our opinion:

- a. The accounts, including the revenue account and balance sheet, are in agreement with the accounting records kept by the society under s75 of the Co-operative and Community Benefit Societies Act 2014;
- b. Having regard only to, and on the basis of, the information contained in those accounting records the revenue account and balance sheet comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- c. For the preceding year of account, the financial criteria for the exercise of the power conferred by section 84 were met in relation to the year.



The Alanbrookes Group Ltd

24 Glove Factory Studios
Holt
Wiltshire
BA14 6RL
10 July 2023

PROJEKTS MCR LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover		466,063	393,558
Cost of sales		(35,190)	(30,613)
Gross profit		430,873	362,945
Administrative expenses		(432,630)	(377,583)
Other operating income		-	67,790
Operating (loss)/profit		(1,757)	53,152
Interest payable and expenses		(3,476)	(12,902)
(Loss)/profit before tax		(5,233)	40,250
(Loss)/profit after tax		(5,233)	40,250
Retained earnings at the beginning of the year		68,458	28,208
		68,458	28,208
(Loss)/profit for the year		(5,233)	40,250
Retained earnings at the end of the year		63,225	68,458

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of income and retained earnings.

The notes on pages 10 to 16 form part of these financial statements.

PROJEKTS MCR LIMITED
REGISTERED NUMBER: 29726R

BALANCE SHEET
AS AT 31 DECEMBER 2022

		2022	<i>As restated</i>
	Note	£	2021
			£
Fixed assets			
Tangible assets	4	808,923	846,131
		<u>808,923</u>	<u>846,131</u>
Current assets			
Stocks		5,899	5,378
Debtors: amounts falling due within one year	5	7,728	9,536
Cash at bank and in hand	6	77,759	154,870
		<u>91,386</u>	<u>169,784</u>
Creditors: amounts falling due within one year	7	(138,209)	(153,777)
Net current (liabilities)/assets		<u>(46,823)</u>	<u>16,007</u>
Total assets less current liabilities		<u>762,100</u>	<u>862,138</u>
Creditors: amounts falling due after more than one year	8	(570,080)	(659,385)
Net assets		<u>192,020</u>	<u>202,753</u>
Capital and reserves			
Called up share capital	10	7	7
Other reserves		128,788	134,288
Profit and loss account		63,225	68,458
		<u>192,020</u>	<u>202,753</u>

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The company is entitled to exemption from audit under s.84 of the Co-operative and Community Benefits Societies Act 2014, and the members have not required the company to obtain an audit of its financial statements in accordance with s.84(2) of the Act.

The directors acknowledge their responsibilities for:


- a. ensuring that the company keeps accounting records which comply with s.75 of the Co-operative and Community Benefits Societies Act 2014 and
- b. preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Mr O Roberts
Director



Ms H Brown
Director



Mr J Haines
Secretary

Date: 7 July 2023

The notes on pages 10 to 16 form part of these financial statements.

PROJEKTS MCR LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2021	7	134,288	28,208	162,503
Comprehensive income for the year				
Profit for the year	-	-	40,250	40,250
Total comprehensive income for the year	-	-	40,250	40,250
At 1 January 2022	7	134,288	68,458	202,753
Comprehensive income for the year				
Loss for the year	-	-	(5,233)	(5,233)
Community shares redeemed	-	(5,500)	-	(5,500)
Other comprehensive income for the year	-	(5,500)	-	(5,500)
Total comprehensive income for the year	-	(5,500)	(5,233)	(10,733)
At 31 December 2022	7	128,788	63,225	192,020

The notes on pages 10 to 16 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

The society is a private company limited by share capital, incorporated in England and Wales and is constituted as a Registered Society under the Co-operative and Community Benefit Societies Act 2014.

The address of its registered office is:
97 London Road
City Centre
Manchester
M1 2PG

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the society and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the society has transferred the significant risks and rewards of ownership to the buyer;
- the society retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the society will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the society will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.6 Pensions

Defined contribution pension plan

The society operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the society pays fixed contributions into a separate entity. Once the contributions have been paid the society has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the society in independently administered funds.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as follows.

Depreciation is provided on the following basis:

Buildings	- 23 years straight line
Plant and machinery	- 2-5 year straight line
Fixtures and fittings	- 5 year straight line
Office and cafe equipment	- 2-5 year straight line
Skate ramps	- 23 years straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

PROJEKTS MCR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Employees

The average monthly number of employees, including directors, during the year was 29 (2021 - 21).

4. Tangible fixed assets

	Buildings £	Plant and machinery £	Fixtures and fittings £	Office and cafe equipment £	Skate ramps £
Cost or valuation					
At 1 January 2022	610,848	31,106	42,580	22,417	237,656
Additions	-	6,693	4,847	2,521	-
At 31 December 2022	610,848	37,799	47,427	24,938	237,656
Depreciation					
At 1 January 2022	35,411	25,945	11,258	12,084	13,777
Charge for the year on owned assets	26,559	2,413	8,829	3,136	10,333
At 31 December 2022	61,970	28,358	20,087	15,220	24,110
Net book value					
At 31 December 2022	548,878	9,441	27,340	9,718	213,546
At 31 December 2021	575,436	5,161	31,322	10,333	223,879

PROJEKTS MCR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Tangible fixed assets (continued)

	Total £
Cost or valuation	
At 1 January 2022	944,607
Additions	14,061
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At 31 December 2022	958,668
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Depreciation	
At 1 January 2022	98,475
Charge for the year on owned assets	51,270
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At 31 December 2022	149,745
	<hr/>
Net book value	
At 31 December 2022	808,923
	<hr/> <hr/>
<i>At 31 December 2021</i>	846,131
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PROJEKTS MCR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Debtors

	2022 £	2021 £
Trade debtors	3,694	5,704
Other debtors	1,221	500
Prepayments and accrued income	2,813	3,332
	<u>7,728</u>	<u>9,536</u>

6. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	77,759	154,870
	<u>77,759</u>	<u>154,870</u>

7. Creditors: Amounts falling due within one year

	2022 £	As restated 2021 £
Bank loans	15,459	14,454
Other loans	12,836	16,517
Other taxation and social security	9,451	4,635
Other creditors	20,391	20,375
Accruals and deferred income	80,072	97,796
	<u>138,209</u>	<u>153,777</u>

8. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	70,088	85,579
Other loans	12,671	34,809
Accruals and deferred income	487,321	538,997
	<u>570,080</u>	<u>659,385</u>

PROJEKTS MCR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	15,459	14,454
Other loans	12,836	16,517
	<u>28,295</u>	<u>30,971</u>
Amounts falling due after 1 year		
Bank loans	70,088	85,579
Other loans	12,671	34,809
	<u>82,759</u>	<u>120,388</u>
	<u>111,054</u>	<u>151,359</u>

10. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
7 (2021 - 7) Ordinary shares shares of £1.00 each	<u>7</u>	<u>7</u>

PROJEKTS MCR LIMITED

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	As restated 2021 £
Turnover		466,062	393,558
Cost Of Sales		(35,190)	(30,612)
Gross profit		430,872	362,946
Gross profit %		92.4 %	92.2 %
Other operating income		-	67,790
Less: overheads			
Administration expenses		(413,483)	(368,777)
Establishment expenses		(19,145)	(8,807)
Operating (loss)/profit		(1,756)	53,152
Interest payable		(3,477)	(12,902)
(Loss)/Profit for the year		(5,233)	40,250

PROJEKTS MCR LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Turnover		
Sales	355,953	317,637
Mentoring income	250	-
Funding received	109,859	75,921
	<u>466,062</u>	<u>393,558</u>
	2022 £	As restated 2021 £
Cost of sales		
Coaching costs	351	2,181
Direct expenses	1,603	-
Skate equipment and stock	2,082	2,536
Skate tools	-	8
Funded project costs	1,844	-
Cafe costs	29,310	25,887
	<u>35,190</u>	<u>30,612</u>
	2022 £	2021 £
Other operating income		
Government grants receivable	-	67,790
	<u>-</u>	<u>67,790</u>

PROJEKTS MCR LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	As restated 2021 £
Administration expenses		
Staff salaries	285,129	254,717
Staff national insurance	12,494	11,581
Staff pension costs - defined contribution schemes	6,648	6,309
Staff training and welfare	2,437	2,244
Motor running costs	195	-
Entertainment	-	75
Hotels, travel and subsistence	3,262	1,339
Consultancy	7,270	6,730
Printing and stationery	225	722
Postage	134	189
Telephone and fax	2,345	1,858
Computer costs	3,276	5,048
Advertising and promotion	1,768	1,876
Trade subscriptions	1,575	528
Auditors' remuneration	1,530	1,675
Equipment hire	3,016	2,168
Bank charges	5,589	5,074
Bad debts	-	(600)
Sundry expenses	838	405
Insurances	8,907	7,978
Depreciation	51,269	48,671
Health, safety and security	4,319	3,507
Event expenses	1,395	-
Irrecoverable VAT	9,862	6,683
	413,483	368,777
	2022 £	2021 £
Establishment		
Rates	678	513
Light and heat	16,059	5,382
Repairs and maintenance	2,408	2,912
	19,145	8,807

PROJEKTS MCR LIMITED

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Interest payable		
Bank loan interest payable	1,157	625
Other loan interest payable	4,656	6,905
Interest paid on shares	(2,336)	5,372
	<u>3,477</u>	<u>12,902</u>