CREATIVE FOLKESTONE

England & Wales · Charity number 1105174

Details

Other names	THE CREATIVE FOUNDATION
Status	Registered
Legal form	Charitable company
Company number	04566484
Registered	2004-07-28
Register	View on the Charity Commission register

Contact

Address	Quarterhouse Mill Bay Folkestone Kent Folkestone CT20 1BN
Phone	01303 760750
Email	info@creativefolkestone.org.uk
Website	www.creativefolkestone.org.uk

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Activities

Objects: 1. THE FOSTERING, PROMOTION AND INCREASE AMONGST THE GENERAL PUBLIC OF THE KNOWLEDGE AND APPRECIATION OF ART, MUSIC AND LITERATURE, BY, IN PARTICULAR THE PROVISION OF (A) EDUCATION (OF ALL TYPES AND AT ALL LEVELS) IN THE FIELDS OF THE VISUAL, CREATIVE AND APPLIED ARTS AND DESIGN; AND(B) STUDIOS, GALLERIES AND OTHER PLACES WHERE ART INCLUDING DRAMATIC AND VISUAL ART), MUSIC AND LITERATURE MAY BE PRACTISED, CREATED OR EXHIBITED;2. THE RELIEF OF POVERTY BY ASSISTING INDIVIDUALS WHO ARE IN NEED AND WHO ARE UNABLE TO PROCURE SUCH ASSISTANCE FROM THEIR OWN RESOURCES TO SET UP BUSINESSES AND, IN PARTICULAR, BY ASSISTING ARTISTS (WHETHER THROUGH THE PROVISION OF WORK SPACES OR OTHER FACILITIES AND ASSISTANCE, OR OTHERWISE TO BECOME SELF-SUPPORTING THROUGH THEIR ART;3. THE PROVISION OF FACILITIES, IN THE INTERESTS OF SOCIAL WELFARE, FOR RECREATION AND OTHER LEISURE-TIME OCCUPATION WITH THE OBJECT OF IMPROVING CONDITIONS OF LIFE, IN PARTICULAR FOR THE INHABITANTS OF FOLKESTONE AND THE SURROUNDING DISTRICT;4. THE PROMOTION, FOR THE PUBLIC BENEFIT, OF URBAN OR RURAL REGENERATION IN AREAS OF SOCIAL AND ECONOMIC DEPRIVATION (AND IN PARTICULAR FOLKESTONE OLD TOWN) BY ALL OR ANY OF THE FOLLOWING MEANS:(A) THE RELIEF OF POVERTY IN SUCH WAYS AS MAY BE THOUGHT FIT;(B) THE RELIEF OF UNEMPLOYMENT IN SUCH WAYS AS MAY BE THOUGHT FIT, INCLUDING ASSISTANCE TO FIND EMPLOYMENT;(C) THE ADVANCEMENT OF EDUCATION, TRAINING OR RETRAINING, PARTICULARLY AMONG UNEMPLOYED PEOPLE, AND PROVIDING UNEMPLOYED PEOPLE WITH WORK EXPERIENCE;(D) THE PROVISION OF FINANCIAL ASSISTANCE, TECHNICAL ASSISTANCE, OR BUSINESS ADVICE OR CONSULTANCY IN ORDER TO PROVIDE TRAINING AND EMPLOYMENT OPPORTUNITIES FOR UNEMPLOYED PEOPLE IN CASES OF FINANCIAL OR OTHER CHARITABLE NEED THROUGH HELP: (1) IN SETTING UP THEIR OWN BUSINESS, OR (2) TO EXISTING BUSINESSES;(E) THE CREATION OF TRAINING AND EMPLOYMENT OPPORTUNITIES BY THE PROVISION OF WORKSPACE, BUILDINGS AND/OR LAND FOR USE ON FAVOURABLE TERMS;(F) THE PROVISION OF HOUSING FOR THOSE WHO ARE IN CONDITIONS OF NEED AND THE IMPROVEMENT OF HOUSING IN THE PUBLIC SECTOR OR IN CHARITABLE OWNERSHIP PROVIDED THAT SUCH POWER SHALL NOT EXTEND TO RELIEVING ANY LOCAL AUTHORITIES OR OTHER BODIES OF A STATUTORY DUTY TO PROVIDE OR IMPROVE HOUSING;(G) THE MAINTENANCE, IMPROVEMENT OR PROVISION OF PUBLIC AMENITIES;(H) THE PRESERVATION 0F BUILDINGS OR SITES OF HISTORIC OR ARCHITECTURAL IMPORTANCE;(I) THE PROVISION OR ASSISTANCE IN THE PROVISION OF RECREATIONAL FACILITIES FOR THE PUBLIC AT LARGE AND/OR THOSE WHO, BY REASONS OF THEIR YOUTH, AGE, INFIRMITY OR DISABLEMENT, POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES, HAVE NEED OF SUCH FACILITIES;(J) THE PROTECTION OR CONSERVATION OF THE ENVIRONMENT;(K) THE PROVISION OF PUBLIC HEALTH FACILITIES AND CHILDCARE;(L) THE PROMOTION OF PUBLIC SAFETY AND PREVENTION OF CRIME; AND(M) SUCH OTHER MEANS AS MAY FROM TIME TO TIME BE DETERMINED, SUBJECT TO THE PRIOR CONSENT OF THE CHARITY COMMISSIONERS FOR ENGLAND AND WALES; AND 5. THE FURTHERING OF SUCH OTHER CHARITABLE PURPOSES AS THE TRUSTEES SHALL THINK FIT.

Activities: Creative Folkestone is an arts organisation committed to making great art, and through this we will make Folkestone a great place. The charity promotes creativity through the Creative Quarter, Folkestone Triennial, a festivals programme including the Folkestone Book Festival, Quarterhouse performing arts centre, the Folkestone Artworks collection and a programme of learning and engagement.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Accommodation/housing, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment, Recreation
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** FOR THE GENERAL PUBLIC, ESPECIALLY THE INHABITANTS OF SHEPWAY AND THE SURROUNDING DISTRICT
- Kent

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,013,426	£3,329,362	£21,051,701	26
2024-03-31	£3,078,417	£2,662,234	£21,318,408	25
2023-03-31	£2,793,414	£2,707,441	£20,895,911	26
2022-03-31	£4,932,681	£3,913,996	£20,809,938	32
2021-03-31	£3,661,249	£2,272,438	£19,791,253	20

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Trustees

Name	Role	Appointed
Sir Roger De Haan	Chair	
ALASTAIR UPTON		2013-05-17
ANDREW IRONSIDE		2014-02-20
DAVID SHRIVER		2024-06-26
Judith Nesbitt		2022-06-27
LADY ALISON DE HAAN		2016-02-25
PAUL HUDSON		2012-08-15
Sir Stephen Deuchar CBE		
Vanessa Ann Stone		2021-03-08
WILLIAM RADNOR		

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CREATIVE FOLKESTONE

England & Wales - Charity number 1105174

Accounts

Company Registration Number: 04566484
Charity Registration Number: 1105174

CREATIVE FOLKESTONE

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2025

Strategic Report
For the year ended 31 March 2025

The Trustees, (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Creative Folkestone for the year ended 31 March 2025.

The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document, the Charity Act 2011 and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". As Creative Folkestone is a company limited by guarantee, the report and statements also comply with the Companies Act 2006.

Pages 1 to 4 comprise the Strategic Report as required by company law, as well as providing the information required by the SORP for the Trustees' Annual Report.

Reference and administrative details

Registered company number	04566484 (England and Wales)
Registered charity number	1105174 (England and Wales)
Registered office	Quarterhouse Mill Bay, Folkestone Kent CT20 1BN
Trustees	Sir Roger De Haan (Chair) Cathy Beare (resigned 30 April 2024) Lady Alison De Haan Sir Stephen Deuchar CBE Paul Hudson Andrew Ironside Judith Nesbitt The Earl of Radnor David Shriver (appointed 26 June 2024) Vanessa Stone Alastair Upton Mark Watkins (appointed 23 September 2024)
Chief Executive	Alastair Upton
Deputy Chief Executive	Sebastian Cater
Company Secretary	Stephen Ansell
Auditor	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
Solicitors	Withers LLP 20 Old Bailey, London EC4M 7AN
Bankers	NatWest Bank Folkestone Branch, Europa House 49 Sandgate Road Folkestone Kent CT20 1RU

Investment Brokers	Rathbones Investment Management 8 Finsbury Circus London EC2M 7AZ
Website	www.creativefolkestone.org.uk

Objectives and activities

Established in 2002, Creative Folkestone is an arts charity dedicated to producing and enabling the very best creative activity to help transform Folkestone and the surrounding area of Kent. Working with the people of Folkestone, our partners and other stakeholders, we aim to make the town a better place to live, work, play, study and visit.

The Charity's objectives, as set out in the governing document, are "The fostering of knowledge and appreciation of art, music and literature; the relief of poverty by assisting individuals who are in need, in particular by assisting artists to become self-supporting through their art; the provision of facilities in the interests of social welfare for the inhabitants of Folkestone and the surrounding district; the promotion of regeneration in areas of social and economic deprivation."

Creative Folkestone believes that everyone is creative, and that creativity has the power to change people and places for the better. With a passion for creativity at its heart, the Charity will enable people's creativity to flourish, enriching the town and those who live in it, or visit it, and transform Folkestone's reputation.

All our Board and staff are committed to enabling the very best work to be created. We always appoint skilled and ambitious curators and programmers who are empathetic to art, artists, place and community. Creativity drives the goals we set ourselves and which continue to guide the organisation:

Goal 1: Creatively engage the people of Folkestone
Goal 2: Creatively transform the look of Folkestone
Goal 3: Creatively change the economy of Folkestone
Goal 4: Change the reputation of Folkestone as a creative town
Goal 5: Create a sustainable Creative Folkestone

A principal focus for the Charity in achieving these goals is the development of the Creative Quarter, in the historic old town area of Folkestone, through a process of property acquisition, refurbishment and letting. The Charity benefits from a collaboration with the Roger De Haan Charitable Trust (RDHCT), which shares many of the Charity's goals. Typically, RDHCT funds the acquisition and refurbishment costs of properties and after the renovation works are complete leases them to the Charity on a long term basis at a peppercorn rent. Creative Folkestone then proceeds to let the refurbished property at affordable rates to artists, education providers and a wide range of creative organisations.

Creative Folkestone has a remarkable record of success having already transformed the most run down part of Folkestone. Around ninety buildings have been restored in the Creative Quarter and the area is populated by artists and creative industries. We use the Quarterhouse, our performance venue that we built in 2008, to stage our annual Folkestone Book Festival and a full programme of music, theatre, dance and comedy. The area has been animated by five internationally acclaimed Folkestone Triennials when we commissioned site specific artworks to be exhibited in the public realm around the town. After each show we kept many of the exhibits and added them to Folkestone Artworks which have then been kept on permanent display. As our collection has grown, so has Folkestone's reputation as a unique destination for those who enjoy contemporary art. In 2021 we took on the stewardship of Prospect Cottage, Derek Jarman's former home in Dungeness, along with a commitment to open its doors to the public through visits and a residency programme.

The Charity continues to work with a range of public and private sector organisations on a number of strategically important initiatives which are helping us to have a profound regenerative impact on the community.

The creative transformation of Folkestone is being achieved through a number of core projects developed and managed by Creative Folkestone: the Creative Quarter, Quarterhouse, Folkestone Book Festival, Folkestone Triennial, Folkestone Artworks and Prospect Cottage; all these initiatives are underpinned by our Learning and Engagement programme.

Public benefit

The Charity's Trustees have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance (PB1, PB2 and PB3) published by the Charity Commission. They are aware of the public benefit requirement, its implications for charities and their duty to report how they have carried out the Charity's purposes for the public benefit and take the public benefit guidance into account when making decisions.

The Charity's particular public benefit activities are included later in this report under Achievements and Performance. Our activities, and particularly our Learning and Engagement work and co-produced festivals, are deeply embedding Creative Folkestone in the local community. Folkestone Triennial, and many other activities, are free of charge to the public.

The Charity continues to contribute to the overall social and economic regeneration of deprived areas in Folkestone through the advancement of the arts, culture, heritage, learning and the establishment of a community of over 800 creative individuals and businesses.

Structure, governance and management

The Charity is a company limited by guarantee with no share capital, and a registered charity. The Charity's memorandum and articles of association are the primary governing documents of the Charity.

Creative Folkestone has a supportive Board of highly skilled and committed Trustees. The Trustees during the year were those set out on page 1. Trustees are also members of the Charity. The Trustees have complied with the duties described under the Charities Act 2011, and with proper regard to the guidance published by the Charity Commission.

The Creative Folkestone Board provides the statutory governance and also governance over artistic vision and quality. The Board is supported by four Sub Committees that oversee Management, Visual Arts, Performing Arts and Learning and Engagement and Creative Quarter Regeneration, and report back their recommendations to the main Board.

We actively advertise for new members of sub-committees of the Board and applicants are interviewed by the CEO and another Trustee. They are invited to join the sub committees and if appropriate can move on to the main board. Our induction process includes Trustees being given a copy of our constitution, audited accounts and copies of trustee meeting minutes, together with the Charity Commission's guidelines for charity trustees. The new Trustee is also given a detailed tour of the Creative Quarter and an introduction to all the projects being undertaken by the Charity.

Although there is no formal training policy in place, the Trustees are encouraged to participate in training programmes either through their principal employer or through participation in ad hoc training courses.

Key management personnel and pay policy

The Charity considers its key management personnel to be its Board of Trustees, the Chief Executive and the Deputy Chief Executive. The remuneration is normally set annually in accordance with the pay policy, with any changes taking effect from the 1 April each year. The Chief Executive and the Deputy Chief Executive are the only paid key management personnel. The pay policy for the Chief Executive and the Deputy Chief Executive is the same as for other staff.

This Strategic Report was approved by the Board of Trustees on 29/9/25 and signed on their behalf by:

.....
Sir Roger De Haan – ~~Chair of~~ Trustees

Achievements and performance

Creative Folkestone overview

Much of the twelve-month period between April 2024 and March 2025 was dedicated to preparing for our flagship event: the sixth edition of the Creative Folkestone Triennial, scheduled to take place from 19 July to 19 October 2025. This is the largest exhibition in the UK featuring newly commissioned works. The majority of the 18 commissioned artworks are positioned outside, in prominent locations across the town, such as the Harbour Arm and The Stade, which exemplifies how Creative Folkestone has positioned itself as the nation's leading force in creative placemaking.

The Folkestone Triennial highlights how creativity plays a central role in the long-term transformation of the town: improving the public realm, stimulating the local economy, enhancing its national and international reputation as a leading destination in the UK for contemporary art, and, ultimately, making the town a better place to live, work, study, play, and visit for ALL.

At the end of March 2025, preparations were nearing completion, with artworks beginning to appear at their designated sites throughout Folkestone's public realm.

The Creative Quarter has been going from strength to strength: by the end of the financial year, it achieved 100% occupancy for residential spaces. In total, we welcomed 34 new tenants, with 8 occupants moving within the Quarter, demonstrating how we are adapting to changed business requirements.

We continued to bring together business owners, artists and start-ups based in the Creative Quarter and beyond to network and share their skills and knowledge. The quarterly *Connecting Creatives* events not only offers guest speakers the opportunity to showcase their work, but also served as a launchpad for new activities, such as the community festival Open Art 2024.

Our comprehensive Learning and Engagement Programme continued to be in high demand, particularly amongst young Folkestone residents, offering a growing range of diverse workshops for schools, families, young people, adults, and individuals with special educational needs and disabilities. The programme delivered 322 sessions, along with end-of-term exhibitions and other activities, offering around 8,200 opportunities for participation.

The Quarterhouse continued to deliver a bold and ambitious engagement programme, reflecting and celebrating Folkestone's diversity. A total of 136 events took to the stage over the 12-month period, attracting approximately 15,000 people.

We were pleased to reintroduce family, theatre and dance programming, after cutting back in this area of the programme in 2023/24 in order to prioritise the more popular late-night music events. We brought back a selection of fun and interactive family shows, specifically tailored for early years audiences and their accompanying adults.

From 14-24 November 2024 our annual festival of books, ideas, writing and literature returned to Quarterhouse. It featured 40 events involving 89 authors, journalists and speakers, both local and national. A total of 3,932 tickets were sold, an increase of 45% on 2023, and many events, such as David Nicholls and Steven Moffat, were sold out.

The 2024 festival was the first to be curated by local resident, Sophie Haydock, an award-winning author and journalist. As a full-time member of staff, she brought deep-investment in the local community, and repositioned the festival as a vibrant hub for writers, readers, lenders and storytellers. Her new curatorial concept paired hyper-local engagement with national excellence, resulting in a dynamic programme that spanned topics "from comedy and curiosity to motherhood and mayhem, life and loss to rogues and royalty, and everything in between".

The guided tours at Prospect Cottage remained highly popular, with most time slots fully booked. In 2024/25, 1,520 visitors took the opportunity to explore Derek Jarman's life and work in-depth, and to reflect on the profound significance of this unique place.

We continued with our Prospect Cottage Residencies and Research and Development Programme, giving a total of 29 writers, film-makers and other creatives the opportunity to spend time at the cottage and use it as a space to think, reflect and be inspired.

As a result of a successful funding application to Arts Council England's Place Partnership Fund, planning has begun for the launch of a bold and ambitious new project called *Folkestone is a Library*. This town-wide programme will turn streets, schools, shops and public spaces into hot-spot places for reading, writing and storytelling. While the town's public library remains closed, *Folkestone is a Library* will inspire an imaginative, inclusive response that reimagines what a library could and can be. Rooted in 25 years of cultural transformation, this three-year initiative builds on Creative Folkestone's commitment to long-term creativity and collaboration.

For the past 12 months, Creative Folkestone has continued to secure national and international media coverage, contributing to a growing profile for the organisation and the town. Media interest has focused on our cultural programming, the wider regeneration narrative, and Folkestone's reputation as a leading destination for visitors and creatives alike with Folkestone appearing in The Sunday Times and Time Out's 'Best places to live in the UK' .

The Board of Trustees would like to express their appreciation for the continued generosity of its benefactors, in terms of both committed funding and in-kind assistance with the work of the charity, including Arts Council England (ACE), Kent County Council (KCC), Folkestone and Hythe District Council (FHDC), Canterbury Christ Church University, Saga, Eurotunnel, Linbury Trust, Lord Glendonbrook Trust, Rockefeller, Oak Foundation, Culture Ireland, Hollaway, The Kingdom of the Netherlands, Mondriaan Fund and Art Fund.

The Board of Trustees would like to convey special thanks to the Trustees of RDHCT for their continued support for the work of Creative Folkestone. The Board of Trustees would also like to express their appreciation for the dedication and hard work of both the Charity's staff and its committee members who are not Trustees. Their continued flexibility and willingness to adapt to changing conditions, due to the energy crisis and other inflationary increases, have made it possible to continue delivering an ambitious and challenging arts and performance programme.

Folkestone Triennial and Folkestone Artworks

In autumn 2024, the sixth Folkestone Triennial was announced, alongside its curatorial theme: *How Lies the Land?* Curator Sorcha Carey invited 18 artists from more than 15 countries to create bold new public artworks for the town, reimagining Folkestone's landscape and reflecting on how we live within it, across time, memory and change.

The route starts at Quarterhouse and takes visitors to the harbour and to East Cliff, home to many of Folkestone's most important archaeological and geological sites.

Artworks are located in prominent and unusual spaces, including on an abandoned section of the railway track along Tram Road, which had not been previously used. Other new sites include a WW1 gun shelter on East Cliff, the interior of Martello 3, Folkestone Central Railway Station, and upon the Dolphins at the Harbour Arm. These sites carry powerful stories of migration, environmental change and resilience, which reflect local experiences and contribute to global conversations.

A full list of the artists involved was revealed at the end of March 2025. It includes installations by Céline Condorelli, Monster Chetwynd, Dineo Seshee Bopape, Cooking Sections, Dorothy Cross, John Gerrard, J Maizlish Mole, Rubiane Maia, Emeka Ogboh, Prabhakar Pachpute, Katie Paterson, Laure Prouvost, Emilija Škarnulytė, Rae-Yen Song 宋瑞渊, Jennifer Tee, Sara Trillo, Hanna Tuulikki and Sarah Wood.

Throughout the year, the team continued to collaborate with several prospective partner organisations – such as Whitecliffs Countryside Project, Napier Friends, Eco Park, Canterbury Archaeological Trust, the RSPB, MIND, and Kent Downs, to explore their participation in the Triennial Public Programme. In April 2025, a freelance public programmer was recruited to help drive the final stages of programme development, and will remain in place throughout the Triennial period, until October 2025.

As part of our involvement in the Levelling-Up project *Folkestone – A Brighter Future*, two Triennial artists continued to develop new public works. The first, Monster Chetwynd, is currently creating a fantastical children's playground that will form the centrepiece of Bouverie Square. Designed as both an artwork and a playspace, it features salamanders, portals and other surreal elements that together form what Chetwynd describes as a "magical kingdom". The salamander's power of regeneration is a central motif, reflecting Folkestone's own ongoing story of renewal.

The second, Céline Condorelli, designed four sculptures that celebrate Folkestone's meaningful connection to the sea. Part flag, part marker, part weathervane, Condorelli's work lays a trail between the harbour and town centre. Designed to move in response to the wind, like the sea itself, the experience of these markers will be determined by the weather.

As part of this collaboration, we also connected the project's main contractor, Aecom, with The Beacon Plus and The Edge School of Creative Business, and arranged a visit for 20 young people from Folkestone to Aecom's London headquarters.

The Folkestone Artworks exhibition remains a vibrant attraction, drawing interest from visitors, students and the local community. We have continued to offer a range of tours, guided walks and talks, with the intention of enriching viewers' experiences of the artworks.

The collection is maintained to a consistently high standard, with regular upkeep, repairs and essential renovations. In 2024/25, key highlights included the complex task of renumbering each of the 19,240 stones in Mark Wallinger's iconic piece *Folk Stones* (2008) on The Leas and a full repaint of *Casa Anacaona* (2017), Sol Calero's vibrant beachside pavilion at the harbour.

In preparation for the 2025 Triennial, we have been updating existing signage, renewing leases for new artworks, in partnership with the Council, and carefully removing pieces whose display agreements have ended. As with any evolving outdoor collection, some works are added while others make way. The exhibition now features 87 artworks by 52 artists, each contributing to Folkestone's changing creative landscape.

Creative Quarter

Among new tenants who moved into the Creative Quarter during the last financial year, many are remarkably successful creatives raising the bar for artistic excellency. Emelie Mahdavian is an Emmy, Peabody, and Sundance Award-winning filmmaker, who recently relocated to Folkestone from America. Her work explores the grandeur of our planet and the beauty of human connection.

Fabia Goff, a linoprint and fabric designer specialising in floral patterns, opened her first shop and studio on the Old High Street in 2024, offering items such as tea-towels, custom-made wall-hangings and upholstery. In February 2025, she was awarded *Young Entrepreneur of the Year 2025* and named finalist for *Business of the Year* by The Kent Foundation.

Rachel Leigh, a former nurse who now supplies Folkestone with sweet treats, moved from her Harbour Arm stall into a shop on the Old High Street. She is already looking to expand her businesses as demand is outstripping supply.

In June 2024, Beton Collective, a curatorial and artistic duo, opened their eclectic art centre, *kollective*, at the Gallery space within the Red Fin building, hosting a programme of exciting, diverse and thought-provoking events. The Beton team has become an intrinsic part of the creative community, working in partnership with several event organisers, offering space for performances, installations and other activities.

The demand for retail and residential properties has remained high, and the number of units listed as vacant was down by 22% from 2023/24 levels, indicating that businesses are doing well and that people are happy to stay. In a survey as part of the application form, many indicated that they heard of available properties by word of mouth, suggesting that current tenants are promoting the Creative Quarter as a desirable location to live and work.

Short term pop-up tenancies have also been in high demand, although they were down by 40% on the previous year, as we had less space available to offer.

Older buildings in need of renovation continue to offer valuable opportunities to strengthen and adapt our property portfolio in response to market demand. A recent example is on Tontine Street, where underused offices were converted into small, affordable studios, attracting strong interest from artists looking to test ideas before moving into larger workshop spaces.

Our regular monthly meetings are increasingly well-received by Creative Quarter tenants and other Folkestone creatives, consistently drawing an average attendance of 50 people. These gatherings provide networking opportunities and platforms for testing new ideas.

The monthly *Under the Moon Art Market* in digital glassworks is another example of a tenant-led adaption of a Creative Folkestone initiative, to help build a healthy creative community. Every month, makers, designers and artists offer a diverse range of creativity and products to the public to promote their businesses and commercial practice.

The lower atrium within digital glassworks was freely available to our tenants throughout the year, and they have welcomed a space to exhibit their artwork, offer workshops and hold networking events. SD Projects, a multidisciplinary studio established by the artist Simon Davenport, held a communal Iftar together with the Folkestone Islamic Cultural Centre. People of all backgrounds came together to share a meal that marked the end of Ramadan.

The annual free *Christmas Carol Concert* was held in December 2024 in partnership with St Mary & St Eanswythe's Church. This evening has become a traditional Creative Quarter celebration of the festive season, featuring a programme of live music, readings and festive performances. In 2024/25, seven local artists attracted an audience of 200 people.

Open Art 2024

The annual *Open Quarter*, the festival celebrating the hidden spaces in the Creative Quarter and the creatives behind them, was replaced by *Open Art 2024*, Folkestone's first artist-led festival showcasing the town's extraordinary breadth of creativity.

The festival was organised by the *Folkestone Artists' Collective*, a committee of local artists – most of whom are based in the Creative Quarter. With support from the Festivals Fund, they secured funding to bring in two professional curators. This partnership helped elevate the festival, enabling the committee to attract additional financial and in-kind backing, and to collaborate with local stakeholders and venues. Creative Folkestone was proud to support the project as a key partner.

The inaugural event ran from 13-22 September 2024, and involved 145 local artists, the majority from Folkestone, but also including some from neighbouring towns such as Ashford and Dover. Over 10 days, 78 artist studios and shops across the Creative Quarter and beyond opened their doors, Folkestone came alive with creativity, offering visitors a range of outdoor activities, workshops and artistic performances.

An estimated 10,000 people attended. The feedback was positive, indicating that the festival attracted a spectrum of audiences, ranging from those traditionally interested in art and culture, to those who think "that art is not for them".

Learning and Engagement

Our programme of family workshops remained popular with young Folkestone residents. Nine sessions were attended by a total of 566 children and their families.

The workshops in Block 67 are designed to encourage exploration, free play and creativity. Local artists from various disciplines worked with families to experiment with techniques and materials, including projections, sound, cyanotypes, crown making, collage, sewing, dance, storytelling, instrument making and singing.

Interest in our school workshops continues to grow, with 30 primary and secondary schools now taking part. Over the course of the year, 977 children attended one of 34 lively and engaging sessions.

During the workshops, participants explored topics including: identity and how to create a personal logo through printing; portraiture through movement; how to visually represent themselves; and made shadow puppets to create stories that were brought to life in a show.

Our adult programme included two terms of evening classes, each offering a seven-week course. With 10 places per term, the classes were designed for beginners or anyone looking to develop their drawing skills and explore printmaking techniques such as monoprinting, lino printing, drypoint etching and screen printing. Together, the two terms ran across a seven-month period. Each course culminated with a group exhibition, offering participants the opportunity to celebrate their work with friends and family. These courses are typically oversubscribed, and many make repeat booking, indicating their popularity.

Our popular Neon After School Club continued offering children and young people aged 5–16 the chance to explore a wide range of visual and performing arts. Across the year, three seasonal courses in summer, autumn and spring each delivered 12 weekly workshops. All were fully booked, with more than 240 participants taking part.

The courses were led by in-house practitioners who grouped participants by age and delivered a total of 144 sessions. Their teaching was enriched by guest artists specialising in spoken word, visual arts, puppetry, costume, special effects and digital arts, giving young people the chance to explore new skills, build confidence and spark their imagination. Each course culminated in a final performance, showcasing their original works.

During the autumn term, the groups created and produced an installation that was shown during the Folkestone Living Advent Calendar festival, which ran from 1-24 December 2024, opening a different door each evening to reveal a new unique live performance. The Neon performance was received by an audience of nearly 500 people.

The Neon Summer School took place during the school holidays, offering five days of creativity and fun for three age groups. In total, 45 participants attended, who explored theatre, movement, visual arts, music and interactive digital technology. Each course produced a short performance/installation, shared at the end of the week.

There were two free places per year group, available for each Neon activity, for children claiming pupil premium, with proof from the school, on a first come first served basis.

The Young Animators Club, run by practitioner Lydia Hibbert, continued to offer workshops for children and young people with social engagement difficulties and anxiety conditions. A series of five courses were fully booked, attracting 182 participants, aged 8-25.

During the autumn term, the Young Animators collaboratively produced a short narrative film, which they wrote, directed, designed, and animated themselves. They were supported throughout the process by musician and writer Randolph Matthews, composer Tom Adams, and artist Hayley Restall.

In the spring term, the Young Animators built 3D sets, based on their version of Folkestone Harbour and experimented with projection mapping animations onto the sets to bring the installation to life.

In preparation for summer term 2025, Lydia collaborated with the Folkestone Leas Lift. Her plan is for the young participants to produce animations to display in the new Leas Lift visitor centre, which accompanies the recently refurbished funicular railway, connecting Folkestone's seafront and promenade.

The Young Animators Club expanded to create a studio space every Wednesday during term-time for young creatives aged 16-25, giving them opportunity to work on their own projects with the support of professional practitioners. This space is set up with young neurodivergent people in mind, and those with anxiety conditions and needing support with social and communication skills. An exhibition in autumn showcased their work and earlier this year they launched themselves as YAP Studios, with the plan to take commissions from local businesses in 2026.

Quarterhouse

Quarterhouse is our unique and fully accessible performing arts venue that showcases a wide-ranging programme including music, comedy, dance, film, festivals, and community events. We delivered 132 events and welcomed approximately 15,000 individuals from all backgrounds and protected characteristic groups. With an inclusive and varied lineup, Quarterhouse provides something for everyone in the community, at affordable prices.

Family

The reinstated early years programme was well received. A total of 30 shows and gatherings took to the stage, attended by 1,254 young children and adults.

This included *Mrs H & the Sing-along Band*, a band of musicians whose shows were packed with "catchy tunes and playful mischief"; the London-based Out of the Bag Theatre company, bringing stories to the stage in *Tales for Tots and Toddlers*; and immersive sessions titled *Teeny Tiny Creatives*, delivered by local community arts organisation On Solid Ground, which is dedicated to fostering well-being through creativity and movement.

Comedy

Our growing programme of comedy shows was again one of the most popular performance categories. The 17 shows that took place attracted a total audience of 3,630.

In June, we launched the Quarterhouse Comedy Club, which was the start of a series of new regular comedy nights, presenting some of the best touring comedies around. The club nights featured well-known names, as well as offering new talent an opportunity to showcase their potential.

In January 2025, the Comedy Club received a boost as the series continued in collaboration with Chumps Comedy from Margate. In recent years, they have gained a reputation as one of the UK's most exciting stand-up comedy nights, combining a mix of new acts with household names.

Music

In the past year, Quarterhouse hosted 12 live musical performances, attracting a total audience of 2,093 people.

Five of the gigs were organised through a well-established partnership with the Brighton-based independent live-music promotion company, Melting Vinyl. This included American song-writing duo The Handsome Family; Welsh singer-songwriter Gruff Rhys, known for his work with the Super Furry Animals; and five musicians of the English folk scene who collaboratively performed *Awake Arise,* a Christmas show celebrating winter traditions.

We hosted 12 Saturday late-night dance and music events, in collaboration with local promoters and international DJs, attended by 2,659 people. These included the popular local LGBTQ+ Disco Collective, Joe Goddard & Damp Disco, as well as the legendary DJ Norman Jay MBE, who brought his *Good Times* party to Folkestone.

The Folkestone Electronic Dance Music Weekender took over the town to celebrate summer solstice on 21 and 22 June 2024, with multiple venues hosting the biggest names in Underground Electronic Music. Quarterhouse provided the stage for the kick-off event with Havin It Crew, and for Saturday's headliner Matthew Bushwacka B, a percussionist in the London School Symphony Orchestra.

Also in July, we hosted the sold-out Folkestone Pride's official after party, to celebrate our local LGBTQ+ community, with a line-up of performers and special guests from drag artists to DJs.

We continued with Quarterhouse Lates, offering DJs, producers, artists and music collectives from across the region a regular platform to invite revellers on Friday night to start the weekend with hip-hop, electronic, drum and bass and house music. The focus was not only on young upcoming artists but also on experienced and well-connected freelance programmers, labels, promoters, or artists to broaden the weekend offer to Quarterhouse. The Performing Arts Team supported 35 events that attracted 3,188 people.

Live Screening

We showed seven National Theatre, 11 Royal Ballet and Opera live screenings and a live performance of the musical *Kiss me, Kate*, filmed at the Barbican in London. Leading up to Christmas, we also hosted a special screening of the iconic film *It's a Wonderful Life.* The 20 live screenings attracted a total audience of 1,935 people.

There was a 25% boost in audience numbers in 2024/25 compared to 2023/24, largely due to an increase in the number of events. The average ticket sales remained approximately the same, with several sold-out screenings. This included a repeat of *Prima Facia*, the popular one-woman theatre play starring the renowned Jodie Cromer, the classic festive ballet *The Nutcracker*, and Oscar Wilde's most celebrated comedy *The Importance of Being Earnest.*

Community Engagement

We continued to make Quarterhouse and Block 67 available for artists' development and community engagement through working in partnership. This included the dance companies Confidance and Confico (weekly in term time), and the Folkestone Performing Arts Company, an artist-led international theatre ensemble (on an ad hoc basis). Smoking Apples, a Folkestone-based, award-winning puppetry and visual theatre company used our space for a week of research and development.

We worked in partnerships with festival organisers, including the comedy and theatre festival Folkestone Live, Folkestone Pride, the Compass Music Festival, and SALT + EARTH 2024: Festival of Landscape, Seascape & The Environment, who utilised Quarterhouse as a venue for performances, panel discussions, and other activities.

Festivals

In January 2024, Creative Folkestone reopened applications for the Festivals Fund, offering grants of up to £5,000 to support community-led festivals in the Creative Quarter. Artists, arts groups and organisations with bold ideas were encouraged to apply.

The application process for the grant scheme, funded by the Roger De Haan Charitable Trust, was managed, as in previous years, by Creative Folkestone. Applicants had the opportunity to submit their projects to one of three annual deadlines in March, April and July, giving them time and opportunity to seek matching funding, if necessary, with larger organisation such as Arts Council England or other Trusts and Foundations.

Across the three grant rounds, the Festival Fund received 22 applications, the highest number so far, of which 18 were rewarded, allocating a total of £50,000. The projects took place between April 2024 and March 2025, and our Performance Team provided marketing and technical support to the funded initiatives.

Among successful projects were well-established festivals, such as *Music in May,* the *Sacconi Music Chamber Festival, SALT + EARTH: Festival of Landscape, Seascape & Environment, Folkestone Documentary Festival 2024* and the *Folkestone Living Advent Calendar 2024,* as well as new initiative *Open Art 2024, about* which we report above.

Folkestone Book Festival

The 2024 festival was a success, featuring great literary names such as Ali Smith, Alan Hollinghurst, Tracy Chevalier and David Nicholls.

The programme was designed to appeal to a broad demographic of people, with 30% of the audience attending for the first time. Authors such as Roberto Sendoya Escobar, Steven Moffat and Jay Rayner attracted a noticeably younger and more diverse demographic. Seven of the 40 events (17.5%) touched on environmental issues, exceeding our goal by 2.5%. An audience survey returned very encouraging results, with 94% rating the overall experience as very good/good.

The *Folkestone Authors Showcase*, a highlight of the book festival, celebrated Folkestone's vibrant literary talent. Fifteen local authors offered quickfire three-minute presentations, showcasing an impressive range of genres. The event drew an audience of more than 50 people, including the Mayor of Folkestone. This unique celebration of storytelling underscored Folkestone's thriving literary scene and its role in nurturing local talent.

The Book Festival schools programme offered a series of events designed to spark the imagination of young readers from across Folkestone and beyond, aimed at inspiring the authors and creative thinkers of the future. Four well-known authors and writers presented events for children and young people from 14 primary schools from Folkestone and the surrounding area, with 1,548 young people (and their teachers) attending for free.

The Book Festival was promoted through newsletters to more than 12,500 contacts. Large posters were displayed on train stations in the Southeast. Smaller posters were distributed to cultural/art/literature institutions and cafés/restaurants/bars in Folkestone and surrounding areas, and flyers were delivered locally to Folkestone residents.

The webpages dedicated to the Book Festival 2024 were launched, as in previous years, with the first announcement of the dates, on 18 July 2024 and the total number of visits until the end of the festival was 236,402. Compared to 2023/24, 2024/25 traffic increased by 350%.

Through our advertising campaigns on Facebook and Instagram, we reached a total of 189,570 people and adverts taken out on websites run by the KM Media Group were distributed to a total of 25,000 people. KMFM Radio run regular adverts for a week which reached approximately 187,000 listeners. Printed adverts were placed in magazines such as Deal Dispatch (6,000), Ramsgate Recorder (6000), Folkestone Foghorn (6,000), CommunityAd Magazine (Folkestone) (22,000), Inside Kent (25,000) and the Big Issue (100,000).

Secured features of the accompanying Media Campaign included:

- a feature about the son of drug lord Pablo Escobar, announcing Folkestone Book Festival, in the Cene Magazine
- an interview with curator Sophie Haydock on the curation of Folkestone Book Festival on BBC Radio Kent
- an interview with Sophie Haydock on the highlights of the festival in the Folkestone Foghorn
- an interview with curator Sophie Haydock aired on Academy FM

Prospect Cottage

Participants of the guided tours to the cottage continued to greatly value the opportunity to explore Derek Jarman's home and legacy and the visitor survey showed that the feedback remained positive and encouraging.

I really enjoyed the experience and just wanted to thank Claire & Keith for guiding us around the cottage, Claire had a lovely friendly manner and was brilliantly informative. Many thanks…

In 2024, 10 additional artists, who were granted a two-week residency through the Prospect Cottage Residency Programme, completed their stay at the cottage. Among them were film writers, directors, producers, garden designers and curators seeking inspiration for their own creative work by time spent amongst Jarman's art and writing and the garden that was so meaningful to him.

The programme intended to be fully inclusive, ensuring participation from individuals with protected characteristics, as well as those facing social and economic disadvantages. A survey revealed that the selected artists represented a range of diversity, in terms of race and ethnicity, gender, sex, age, and physical and mental disabilities.

In addition to the residencies, 19 successful applicants to the Research and Development Programme have spent one or two days at the cottage between September 2023 and March 2025. Open to academics, artists, writers, researchers, gardeners, environmentalists and other creatives, the programme offered an opportunity to explore Jarman's life, his artworks, writings, and garden. Most participants focussed on a specific topic they wished to study in greater depth.

Our long-term gardener, Jonny Bruce, dedicated five weekends to working in the cottage garden. During one of those weekends, he invited a small group of students and volunteers to provide them with an opportunity to explore the garden and its distinctive postmodern design in greater depth. He also reinstalled the beehive. Wild bees have been encouraged to use it, with an artificial 'Queen' scent.

Diversity

At Creative Folkestone, diversity and equality are at the heart of everything we do. We are committed to ensuring that everyone in our community, regardless of their racial background, social circumstances, or abilities, has the opportunity to live a full cultural and creative life. We believe that by fully embracing diversity, our work becomes stronger, richer, and more meaningful.

Our goal is to reflect the diversity of Britain through our creative programming, performances, and exhibitions. We are equally dedicated to ensuring that our organisation, across our team, governance, staff, volunteers, tenants, and audiences, represents the diversity of our local community.

We are continually working to better understand and address the barriers that prevent people from engaging with our work. Through targeted action, outreach and partnerships, we aim to deepen relationships within the community. We are focused on removing barriers and expanding access, opportunity, participation, and inclusion in all areas of our work.

Environment

Creative Folkestone continued to assess its environmental performance, with a strong focus on minimising waste and reducing energy and water usage. When direct reductions were not possible, we were looking into sustainable alternatives.

These aims and objectives are outlined in detail in the Environmental Action Plan and Policy, updated in 2023. The plan is guided by the Theatre Green Book, which establishes sustainability benchmarks for theatre buildings, productions, and day-to-day operations.

The Environmental Action Plan was regularly reviewed throughout the year by the Environmental Working Group, comprising of members of all departments.

We continued to work in partnership with the charity Julie's Bicycle, who collected environmental data of our performance space, Quarterhouse. The data was entered into a free online carbon calculator to record, measure and understand the environmental impact.

Creative Folkstone's overall environmental impact, measured in carbon dioxide equivalent (CO2e), remained the same as in 2024/25 and 2023/24, at 64 tonnes CO2e. Of this, 26 tonnes related to energy use, which was down by 25% compared to the previous year (34 tonnes). The reduction was partly due to the generation of renewable energy from solar panels operating year-round, saving approximately 7 tonnes. The previous year, they'd only been installed for part of the year.

Water and sewage were up to 489kg CO2e, compared to 273kg the previous year. Waste remained the same at 21 tonnes. Audience travel was up to 17 tonnes CO2e, compared to 10 tonnes the previous year. Audience travel appears to have increased this year, because, for the first time, we included participants from our Learning and Engagement Programme, which took place at Quarterhouse, such as Neon activities and the schools' programme, which is part of Folkestone Book Festival.

Press and Media

National and international media coverage in 2024/25 reflected a clear shift in how Folkestone is perceived, aligning with our broader strategic aim to promote the town as a place to live, work, play, study and visit. The announcement of the upcoming Folkestone Triennial 2025 generated renewed interest in the town's cultural infrastructure and long-term vision.

This year saw particularly impactful features that elevated both Creative Folkestone and the town in national rankings and lifestyle media:

- Time Out named Folkestone the *UK's Best Place to Visit in 2025*, citing its creative community, galleries and seaside location
  Read article
- Harper's Bazaar UK profiled the town as *Kent's most underestimated seaside destination*, with specific reference to the Creative Quarter and Prospect Cottage
  Read article
- The Financial Times highlighted Folkestone's cultural resurgence, describing it as "a beacon of contemporary art and seaside revitalisation"
  Read article
- The Times and The Guardian covered the announcement of the Folkestone Triennial 2025, noting the curatorial vision and new commissions set to animate public space across the town.

Prospect Cottage also continued to attract attention, with feature pieces in design, film and heritage publications. Residencies and partnerships, including collaborations with the British Film Institute, offered strong media hooks, reinforcing our role as stewards of this iconic site.

Future Plans

The 2024/25 period has demonstrated the continued value of Creative Folkestone's work in shaping national narratives about place-based regeneration, cultural production and community development. It also shows the long-term return on investment in press relations, content development and strategic messaging.

We enter the Triennial year with momentum and visibility at a national level. Our challenge and opportunity in 2025 will be to capitalise on this position to deepen engagement and broaden reach.

The Creative Folkestone Triennial will start on 19 July 2025 and will continue to run until 19 October 2025. It features 18 artists from 16 countries. The charity is pleased with this international focus, especially as most of the works are new commissions.

For the first time, the Quarterhouse auditorium will host an artwork, which will naturally enhance its role as a visitor centre. This has led to a break in programming our usual music, dance and other events. There will be a busy programme from October onwards, including a very strong book festival line up.

Plans are well underway for the 2025 edition of the Folkestone Book Festival, which is set to take place over 14 days in November, with more than 50 events currently in development. We plan to launch the programme ahead of the Triennial, in order to capitalise on increased visitor numbers and awareness across the town. This year, we hope to attract major literary names and cultural figures, and to build on the festival's reputation for bold, thoughtful programming. We've set fresh targets to increase ticket sales, grow community participation, and deepen engagement with schools, local authors, and underrepresented audiences.

The three-year project *Folkestone is a Library* will launch in October with an ambitious Guinness World Record attempt, for the most books exchanged in an hour, held on the beach to place the campaign firmly on the local and national radar. This bold opening will kick off a programme of book, literacy and lending activities delivered by Creative Folkestone and its partners, transforming streets, schools, shops and public spaces into a living, breathing library. It will be one strand of an especially rich year of community and learning activity during the Triennial.

The Creative Quarter will invest in a new database to support our care for tenants, maintenance of buildings, and smoother administration for leases, both new and renewals. This will improve efficiency, so time can be invested in bringing vibrancy to our cluster of creative tenants in the area around Payers Park that we are calling the Creative Campus.

The Creative Campus is one of several forward-looking initiatives shaping Creative Folkestone's next Business Plan for 2026-2031. This ambitious roadmap, currently in development, builds on the charity's belief in the transformative power of creativity. It will define the next phase of leadership as Creative Folkestone moves from its pioneering first generation of regeneration into a bold new chapter. Through both direct delivery and empowering others, the organisation remains firmly committed to making Folkestone a better place to live, work, study, play and visit for everyone.

Financial review

The financial position of the Charity is as set out in the financial statements for the year. During the financial year ended 31 March 2025, the Charity reported a deficit of £266,706 (2024: surplus of £422,497).

As a response to the challenges of high levels of inflation and the high rises in the cost of, insurance, utilities and building maintenance the Charity reduced its costs, wherever possible, while continuing to provide support to its staff and tenants.

The Charity held long leasehold properties with a balance sheet value at 31 March 2025 of £15.1 million. These properties are owned by the Roger De Haan Charitable Trust and leased to Creative Folkestone at a peppercorn rent for 125 years. They provide a rental income for the Charity which is used to satisfy its charitable objectives.

These properties will only be rented for creative and educational purposes, and their capital value may never be realised by the Charity.

The high level of restricted funds shown in the balance sheet as at 31 March 2025 relates principally to properties in the Creative Quarter.

The organisation has agreed with the Arts Council to deliver a set of objectives and focuses its performance to deliver them. In addition, it has set a number of high level financial KPI's and it ensures, through its reporting and governance structures, that its performance is scrutinised regularly.

Report of Trustees
For the year ended 31 March 2025

Reserves policy

Since 2016, the charity has built a cash reserve in addition to its property assets. As a result of a risk-based assessment on what is needed, the Creative Folkestone Board of Trustees has set a target range of between £250,000 and £400,000 for its free reserves. This figure was raised temporarily to £600,000 in response to the difficult economic environment. The reserves are set out in note 20 of the financial statements. An update of the reserves policy will be conducted once a more normal economic environment is reestablished.

Designated funds

Each Folkestone Triennial incurs costs beyond the charity's usual annual expenditure. In the years between preparation for the Triennials the Board designates reserves for future exhibitions. The cost of a Triennial is circa £2,300,000.

The Trustees have designated a total of £521,000 to Triennial 2025. A further £351,000 is designated to the 2028 Triennial.

Investment policy

During the year the charity looked to maximise its income whilst taking a low risk on its investment. It kept minimal funds for working capital in its NatWest interest account and places funds with a Rathbones Bank Time Deposit.

Principal risks and uncertainties

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Regular formal Trustee and management meetings were held to review progress towards achieving the Charity's objectives. The Senior Management Team regularly addressed the schedule of risks identified by the Trustees and put in place procedures and controls to ensure those risks were adequately managed. The principal risks were a) economic downturn b) loss of key Board members and staff and c) failure to hit earned income and fundraising targets. The mitigating actions were identified in Creative Folkestone's business plan, including setting aside appropriate reserves, good property management, succession planning and investing in fundraising.

Equal opportunities and diversity policy

The Trustees recognised that ensuring equal opportunities for all is an integral part of good practice within the workplace and Creative Folkestone remained committed to its comprehensive Equality and Diversity Policy. The Charity ensured that the buildings it occupied complied with the statutory regulations in place in relation to disabled access.

Auditor

Creative Folkestone's current contract for audit services from RSM comes to an end with the completion of the 2024/25 annual report and accounts. The organisation will undertake a competitive tender exercise during late 2025 in order to appoint new auditors.

Strategic report

The matters which the Trustees deem to be of strategic importance have been included within the Report of Trustees on pages 1 to 4 in accordance with section 414c(11) of the Companies Act 2006.

This Report was approved by the Board of Trustees on 29/9/25 and signed on their behalf, by:

Sir Roger De Haan – Chair of Trustees

CREATIVE FOLKESTONE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Creative Folkestone for the purposes of company law) are responsible for preparing the Strategic Report, Report of the Trustees 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 those financial statements, the Trustees are required to:

a. select suitable accounting policies and then apply them consistently;

b. observe the methods and principles in the Charities SORP;

c. make judgements and accounting estimates that are reasonable and prudent;

d. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and;

e. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE FOLKESTONE

Opinion on financial statements

We have audited the financial statements of Creative Folkestone (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of Trustees, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Report of Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Report of Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011 and the charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of Trustees and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and tenancy laws. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgements and estimates applied through the financial statements and testing of revenue cut off around the year end.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Nicholas Sladden (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP
Statutory Auditor, Chartered Accountants
25 Farringdon Street
London, EC4A 4AB

22 December 2025

CREATIVE FOLKESTONE

Statement of Financial Activities (Including Income and Expenditure Account)

For the year ended 31 March 2025

	Notes	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	2024 Total Funds £
Income from:					
Donations and legacies	3	4,910	87,200	92,110	54,962
Charitable activities	4	2,577,275	130,000	2,707,275	2,779,350
Other trading activities	5	188,428	-	188,428	199,567
Investments	6	25,613	-	25,613	44,538
Total income		2,796,226	217,200	3,013,426	3,078,417
Expenditure on:					
Raising funds		4,684	-	4,684	164
Charitable activities	7	2,801,770	445,389	3,247,159	2,584,404
Other trading activities	10	77,519	-	77,519	77,666
Total expenditure		2,883,973	445,389	3,329,362	2,662,234
Net (expenditure)/income		(87,747)	(228,189)	(315,936)	416,183
Transfers between funds		-	-	-	-
Net gains on investments	16	49,230	-	49,230	6,314
Net movement in funds		(38,517)	(228,189)	(266,706)	422,497
Total funds at 1 April		1,827,870	19,490,538	21,318,408	20,895,911
Total funds at 31 March		1,789,353	19,262,349	21,051,702	21,318,408

CREATIVE FOLKESTONE

Balance Sheet

At 31 March 2025

Company Registration Number: 04566484

	Notes	2025	2024
		£	£
Fixed assets			
Tangible assets	**14**	19,500,930	19,612,193
Investment in subsidiary	**15**	1	1
		19,500,931	19,612,194
Current assets			
Investments	**16**	1,689,593	1,623,809
Debtors	**17**	247,100	177,009
Cash at bank and in hand		114,289	363,511
		2,050,982	2,164,329
Creditors: amounts falling due within one year	**18**	(500,211)	(458,115)
Net current assets		1,550,771	1,706,214
Net assets		21,051,702	21,318,408
Funds			
Unrestricted funds	**21**	1,789,353	1,827,870
Restricted funds	**21**	19,262,349	19,490,538
Total funds		21,051,702	21,318,408

The financial statements on pages 20 to 35 were approved by the board and authorised for issue on 29/9/25 and signed on its behalf by:

Sir Roger M De Haan – Chair of Trustees

CREATIVE FOLKESTONE

Statement of Cash Flows

For the year ended 31 March 2025

	Notes	2025 £	2024 £
Cash from operating activities:			
Net cash (used in)/generated from operating activities	23	(258,281)	581,047
Interest received		25,613	44,538
Cash generated from operations:		(232,668)	625,585
Cash flows from investing activities:			
Purchase of tangible fixed assets		-	(42,970)
Net purchase of other investments		(18,758)	(1,598,774)
Cash used in investing activities:		(18,758)	(1,641,744)
Net decrease in cash and cash equivalents		(251,426)	(1,016,159)
Cash and cash equivalents 1 April		382,232	1,398,391
Cash and cash equivalents 31 March		130,806	382,232
Relating to:			
Cash at bank and in hand		114,289	363,511
Current asset investments		16,517	18,721
		130,806	382,232

1 Accounting policies

Legal status

The Charity is a company limited by guarantee. The members of the company are the Trustees. 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 Charity's objectives and aims are disclosed in the Report of Trustees.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention, modified to include certain fixed assets at fair value. The financial statements have also been prepared in accordance with the accounting policies set out in more detail below, to comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland (the FRS 102 Charities SORP 2019).

The financial statements are prepared in Sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

The Charity constitutes a public benefit entity as defined by FRS 102.

Going concern

The Trustees confirm that at the time of approving the financial statements, there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for at least 12 months from signing these financial statements. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, and the Charity's reserves position. The Trustees have reviewed in detail the Charity's position and the appropriate basis on which to prepare the financial statements.

The stress testing of the Charity's financial position has satisfied the Trustees that it has adequate reserves and mitigation strategies available to deal with issues as they unfold. The cash position is strong, the Charity has no debt, the rental income has so far held up well. Funding from the Arts Council has been secured for the next year. The Trustees recognise that 2025/2026 will be another challenging year and have structured the budget accordingly while assessing what further actions can be taken if needs be and they have concluded that it remains appropriate to prepare the financial statements of the Charity on the going concern basis.

Consolidation

The financial statements present information about the Charity as an individual undertaking and not about its group. The Charity has taken advantage of section 402 of the Companies Act 2006 not to prepare consolidated financial statements as the directors consider that the Charity's subsidiary may be excluded from consolidation as it is immaterial for the purpose of a true and fair view.

Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the items(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donated facilities and gifts in kind are included at the value to the Charity where this can be quantified, and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

1 Accounting policies (continued)

Income from government and other grants, whether 'capital' grants relating to tangible fixed assets 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.

Expenditure
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Governance costs include those costs incurred in the governance of the Charity and are primarily associated with constitutional and statutory requirements.

Support costs represent finance, administration and other indirect central costs. The support costs have been allocated in proportion to the direct costs incurred in respect of each activity.

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 Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Taxation
Creative Folkestone is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

Tangible fixed assets
Tangible fixed assets are stated at cost less depreciation and impairment losses. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	150 years straight line
Long leasehold and leasehold improvements	250 years straight line
Plant and machinery	15 – 33% on cost straight line
Computer equipment	33% on cost straight line
Fixtures and fittings	15% on cost straight line

A full year of depreciation is charged in the year of purchase and no depreciation is charged in the year of disposal.

At each reporting end date, the Trustees review the carrying amounts of its freehold and leasehold assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1 Accounting policies (continued)

Investments
Listed investments are stated at market value in the balance sheet with net gains and losses on revaluation and disposal being taken to the Statement of Financial Activities.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, with original maturities of three months or less, and bank overdrafts.

Financial instruments
The charitable company applies the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument and are offset only when the charitable company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets, including trade and other receivables (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at transaction price and subsequently measured at amortised cost, being the transaction price less amounts settled and any impairment losses.

Basic financial liabilities, including trade and other payables are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 Accounting estimates and areas of judgement

In application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Trustees considers there to be no significant judgements or accounting estimates in the year.

3 Donations and legacies

	2025 £	2024 £
Restricted		
Roger De Haan Charitable Trust: Folkestone Festivals Fund	87,200	50,000
Total restricted	87,200	50,000
Unrestricted		
Other	4,910	4,962
Total unrestricted	4,910	4,962
Total donations and legacies	92,110	54,962

4 Charitable activities

	Rental income £	Grants £	Other sources of income £	Total £
Creative Quarter	1,703,989	-	-	1,703,989
Folkestone Triennial	-	-	273,386	273,386
Folkestone Artworks	-	-	105,723	105,723
Prospect Cottage	-	-	103,032	103,032
Quarterhouse	17,637	50,000	124,997	192,634
Arts Programme Festivals and events	-	-	31,449	31,449
Learning & Engagement	-	-	16,792	16,792
Development	-	244,693	35,577	280,270
2025 Total activities	**1,721,626**	**294,693**	**690,956**	**2,707,275**
2024 Total activities	**1,564,181**	**337,011**	**878,158**	**2,779,350**

Of the £2,707,275 income received in the period to 31 March 2025, £130,000 was attributable to restricted funds and £2,577,275 was attributable to unrestricted funds.

Of the £2,779,350 income received in the period to 31 March 2024, £291,651 was attributable to restricted funds and £2,487,699 was attributable to unrestricted funds.

5 Other trading activities

	Unrestricted 2025 £	2024 £
Bar income	122,488	135,468
Parking income	37,652	42,407
Film and other sundry income	28,288	21,692
	188,428	199,567

6 Investments

	Unrestricted 2025 £	2024 £
Deposit account interest	4,374	26,880
Income from investments	21,239	17,658
	25,613	44,538

7 Charitable activities

	Direct costs £	Grants & donations payable £	Support costs £	Total £
Creative Quarter	1,179,276	-	275,392	1,454,668
Arts programme festivals and events	85,450	87,200	21,265	193,915
Folkestone Triennial	381,534	-	94,950	476,484
Folkestone Artworks	106,084	-	26,401	132,485
Prospect Cottage	88,865	-	22,115	110,980
Quarterhouse	551,700	-	188,171	739,871
Learning & Engagement	40,236	-	10,014	50,250
Development	88,506	-	-	88,506
2025 Total activities	2,521,651	87,200	638,308	3,247,159
2024 Total activities	1,903,035	103,400	577,969	2,584,404

Of the £3,247,159 charitable activities expenditure in the period to 31 March 2025, £445,389 was attributable to restricted funds and £2,801,770 was attributable to unrestricted funds.

Of the £2,584,404 charitable activities expenditure in the period to 31 March 2024, £318,366 was attributable to restricted funds and £2,266,038 was attributable to unrestricted funds.

8 Grants and donations payable

	2025 £	2024 £
Arts programme festivals and events	87,200	50,000
Folkestone Artworks	-	53,400
	87,200	103,400

The grants and donations payable to the Arts programme festivals and events of £87,200 (2024: £50,000) are attributable to restricted reserves.

The £53,400 within grants and donations payable above relates to the donation of the Heritage assets to the Folkestone Town Council.

9 Support costs

Support costs represent finance, administration, and other indirect central costs. The support costs have been allocated in proportion to the direct costs incurred in respect of each activity excluding depreciation and gifts in kind.

10 Other trading activities

	Unrestricted 2025 £	2024 £
Bar expenditure	77,519	77,666

11 Auditor's remuneration

	2025 £	2024 £
Audit services – statutory audit of the Charity	28,000	26,000
Other services:		
Auditor's non-audit services	6,950	6,650
	34,950	32,650

12 Net income

	2025 £	2024 £
This is stated after charging:		
Depreciation	111,263	111,263

13 Staff costs and remuneration of key management personnel

	2025 £	2024 £
Wages and salaries	874,085	793,287
Social security costs	78,065	68,186
Pension costs	76,934	70,168
	1,029,084	931,641

The average monthly number of employees during the year was as follows:	2025 no.	2024 no.
Creative Quarter	7	5
Arts programme festivals and events	1	1
Development	1	1
Marketing	2	2
Learning and engagement	1	1
Management and administration	4	5
Quarterhouse	2	2
Triennial	1	1
Visitor Experience	6	6
Prospect Cottage	1	1
	26	25

13 **Staff costs and remuneration of key management personnel (continued)**

The number of employees whose emoluments for the year fell within the following bands was:

£90,001 – £100,000	-	1
£100,001 - £110,000	1	-

All employees earning more than £60,000 in the current and previous year participated in the pension scheme. Contributions for the year totalled £14,364 (2024: £13,538).

The Chief Executive Officer, Mr A Upton, was also a member of the Board of Trustees during the year and received remuneration and benefits for his services in that office, through an employment contract with the Charity, of £102,553 (2024: £95,449) and pension contributions for the period of £14,364 (2024: £13,538). Mr A Upton was also reimbursed expenses in his role as Chief Executive Officer totalling £5,413 (2024: £3,815) which relate to travel, subsistence and telephone costs.

The Deputy Chief Executive Officer, from 21 November 2023 was Mr S Cater. Remuneration and benefits for his services in that office, through an employment contract with the Charity, of £54,249 (2024: £18,733) and pension contributions for the period of £4,807 (2024: £260).

The Deputy Chief Executive Officer, to 31 October 2023 was Mrs F Kingsman. Remuneration and benefits for her services in that office, through an employment contract with the Charity, of £nil (2024: £32,602) and pension contributions for the period of £nil (2024: £3,260).

The Charity considers its Board of Trustees, including the Chief Executive and Deputy Chief Executive Officer, as their key management personnel. No other members of the key management personnel received remuneration during the current period or previous year.

Notes to the Financial Statements (continued)
For the year ended 31 March 2025

14 Tangible fixed assets	Freehold property £	Long leasehold and leasehold improvements £	Plant and machinery £	Furniture & Fixtures £	Computer equipment £	Total £
Cost						
At 1 April 2024 and 31 March 2025	5,992,909	16,579,329	172,193	9,595	24,978	22,779,004
Depreciation						
At 1 April 2024	1,582,044	1,413,973	136,221	9,595	24,978	3,166,811
Charge for the year	39,952	64,313	6,998	-	-	111,263
At 31 March 2025	1,621,996	1,478,286	143,219	9,595	24,978	3,278,074
Net book value						
31 March 2025	4,370,913	15,101,043	28,974	-	-	19,500,930
31 March 2024	4,410,865	15,165,356	35,972	-	-	19,612,193

15 Investment in subsidiaries

	Shares in group undertakings £
Market value	
At 1 April 2024 and 31 March 2025	1
Net book value	
At 1 April 2024 and 31 March 2025	1

The Charity's investment at the balance sheet date was held in the following company:

	Registered Office	Class of share	% held Directly	% held Indirectly	Nature of business
The Creative Foundation (Trading) Limited	Quarterhouse, Mill Bay, Folkestone, Kent CT20 1BN	Ordinary A	100%	-	Dormant

16 Investments

	2025 £
Movement in fixed asset listed investments:	
Market value	
At 1 April 2024	1,605,088
Net additions at cost	18,758
Net gains on investments	49,230
	1,673,076
Cash	16,517
At 31 March 2025	1,689,593
Net book value	
At 1 April 2024	1,623,809
At 31 March 2025	1,689,593

The historical cost of the investments is £1,686,055 (2024: £1,600,000).

17 Debtors: amounts falling due within one year	2025 £	2024 £
Trade debtors	46,773	44,211
Other debtors	51,836	48,998
Prepayments and accrued income	148,491	83,800
	247,100	177,009

18 Creditors: amounts falling due within one year	2025 £	2024 £
Trade creditors	154,593	99,470
Amounts owed to group undertakings	647	647
Social security and other taxes	-	21,096
Other creditors	187,694	171,967
Accruals	64,726	75,330
Deferred income (note 18a)	92,551	89,605
	500,211	458,115

18a Deferred income	2025 £	2024 £
Deferred income as at 1 April	89,605	55,923
Income received requiring deferment	92,551	89,605
Release of income during the year	(89,605)	(55,923)
Deferred income as at 31 March	92,551	89,605

Deferred income of £47,747 (2024: £48,218) represents income received in advance for property rentals and £44,804 (2024: £41,387) represents income received in advance in relation to grants.

19 Pension

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £76,934 (2024: £70,168). The total contributions outstanding at the year-end were £nil (2024: £nil).

Notes to the Financial Statements (continued)
For the year ended 31 March 2025

20 Analysis of net assets between funds – 31 March 2025	Unrestricted funds £	Restricted funds £	Total Funds 2025 £	Total funds 2024 £
Fixed assets	238,581	19,262,349	19,500,930	19,612,193
Investment in subsidiary	1	-	1	1
Current assets	2,050,982	-	2,050,982	2,164,329
Current liabilities	(500,211)	-	(500,211)	(458,115)
	1,789,353	19,262,349	21,051,702	21,318,408

Analysis of net assets between funds – 31 March 2024	Unrestricted funds £	Restricted funds £	Total Funds 2024 £	Total funds 2023 £
Fixed assets	247,392	19,364,801	19,612,193	19,733,886
Investment in subsidiary	1	-	1	1
Current assets	2,038,592	125,737	2,164,329	1,602,936
Current liabilities	(458,115)	-	(458,115)	(440,912)
	1,827,870	19,490,538	21,318,408	20,895,911

21 Movement in funds	At 1 April 2024 £	Net movement in funds £	At 31 March 2025 £
Unrestricted funds			
General fund	716,089	(8,341)	707,748
Designated funds	900,363	(28,363)	872,000
Freehold property	211,418	(1,813)	209,605
	1,827,870	(38,517)	1,789,353
Restricted funds			
Triennial	125,737	(125,737)	-
Freehold properties	4,199,447	(38,139)	4,161,308
Leasehold properties	15,165,354	(64,313)	15,101,041
	19,490,538	(228,189)	19,262,349
Total funds	21,318,408	(266,706)	21,051,702

21 Movement in funds (continued)

Net movement in funds, included in the above, are as follows:

	Income	Expenditure	Gain on investments	Transfer	Movement in funds
	£	£	£	£	£
Unrestricted funds					
General fund	2,796,226	(2,626,413)	49,230	(227,384)	(8,341)
Designated funds	-	(255,747)	-	227,384	(28,363)
Freehold property	-	(1,813)	-	-	(1,813)
	2,796,226	(2,883,973)	49,230	-	(38,517)
Restricted funds					
Triennial	95,000	(220,737)	-	-	(125,737)
Quarterhouse	25,000	(25,000)	-	-	-
Freehold Properties	-	(38,139)	-	-	(38,139)
Leasehold Properties	-	(64,313)	-	-	(64,313)
Arts Programme	87,200	(87,200)	-	-	-
Festivals & Events					
Prospect Cottage	10,000	(10,000)	-	-	-
Residencies					
	217,200	(445,389)	-	-	(228,189)
Total funds	3,013,426	(3,329,362)	49,230	-	(266,706)

Details on funds are as follows:

Triennial	Money raised to organise the Triennial festival.
Quarterhouse	The ownership and operation of the Quarterhouse Performing Arts Centre.
Freehold Property	Represents grants received by the Charity for capital projects. These are depreciated over the estimated useful economic life of the asset the grant was used to purchase.
Leasehold Properties	Represents the transfer of leasehold properties from the Roger De Haan Charitable Trust to the Charity.
Arts Programme Festivals & Events	Festival ticket and fundraised income.
Prospect Cottage Residencies	Rockefeller Philanthropy Advisors has allocated a grant of £30,000 to support the residency programme at Prospect College. The grant will be recognised in instalments of £10,000 per year over a three-year period.
Designated funds	The Trustees have designated a total of £521,000 to Triennial 2025. A further £351,000 is designated to the 2028 Triennial.

22 Related party disclosures

The Roger De Haan Charitable Trust (RDHCT), a charity of which Sir Roger De Haan is a Trustee, made a payment of £105,723 (2024: £85,800) to the Folkestone Artworks.

At the year end, the Charity owed £647 (2024: £647) to its subsidiary, The Creative Foundation (Trading) Limited.

Details of trustees' remuneration and benefits can be found in note 13.

23 Net cash flow from operations

	2025 £	2024 £
Net (deficit)/surplus for the year	(266,706)	422,497
Realised gain on investments	(52,006)	-
Unrealised loss/(gain) on investments	2,776	(6,314)
Loss on disposal of heritage assets	-	53,400
Depreciation	111,263	111,263
Investment income	(25,613)	(44,538)
(Increase)/decrease in debtors	(70,091)	27,537
Increase in creditors	42,096	17,202
Net cash inflow from operating activities	(258,281)	581,047

CREATIVE FOLKESTONE

England & Wales - Charity number 1105174

Accounts

Company Registration Number: 04566484
Charity Registration Number: 1105174

CREATIVE FOLKESTONE

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2024

CREATIVE FOLKESTONE

Report of Trustees
For the year ended 31 March 2024

The Trustees, (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Creative Folkestone for the year ended 31 March 2024.

The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". As Creative Folkestone is a company limited by guarantee, the report and statements also comply with the Companies Act 2006.

Pages 1 to 4 comprise the Strategic Report as required by company law, as well as providing the information required by SORP for the Trustees' Annual Report.

Reference and administrative details

Registered company number	04566484 (England and Wales)
Registered charity number	1105174 (England and Wales)
Registered office	Quarterhouse Mill Bay, Folkestone Kent CT20 1BN
Trustees	Sir Roger De Haan (Chair) Cathy Beare (resigned 30th April 2024) Lady Alison De Haan Sir Stephen Deuchar CBE Paul Hudson Andrew Ironside Trevor Minter OBE DL (Resigned 1st August 2023) Judith Nesbitt The Earl of Radnor David Shriver (appointed 26th June 2024) Vanessa Stone Alastair Upton
Chief Executive	Alastair Upton
Deputy Chief Executive	Fiona Kingsman (Resigned 31st October 2023) Sebastian Cater (Appointed 21st November 2023)
Company Secretary	Angela Ludlow
Auditor	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
Solicitors	Withers LLP 20 Old Bailey, London EC4M 7AN
Bankers	NatWest Bank Folkestone Branch, Europa House 49 Sandgate Road Folkestone Kent CT20 1RU

Investment Brokers	Rathbones Investment Management 8 Finsbury Circus London EC2M 7AZ
Website	www.creativefolkestone.org.uk

Objectives and activities

Established in 2002, Creative Folkestone is an arts charity dedicated to producing and enabling the very best creative activity to help transform Folkestone and the surrounding area of Kent. Working with the people of Folkestone, our partners and other stakeholders, we aim to make the town a better place to live, work, play, study and visit.

The Charity's objectives, as set out in the governing document, are "The fostering of knowledge and appreciation of art, music and literature; the relief of poverty by assisting individuals who are in need, in particular by assisting artists to become self-supporting through their art; the provision of facilities in the interests of social welfare for the inhabitants of Folkestone and the surrounding district; the promotion of regeneration in areas of social and economic deprivation."

Creative Folkestone believes that everyone is creative, and that creativity has the power to change people and places for the better. With a passion for creativity at its heart, the Charity will enable people's creativity to flourish, enriching the town and those who live in it, or visit it, and transform Folkestone's reputation.

All our Board and staff are committed to enabling the very best work to be created. We always appoint skilled and ambitious curators and programmers who are empathetic to art, artists, place and community. Creativity drives the goals we set ourselves and which continue to guide the organisation:

Goal 1: Creatively engage the people of Folkestone
Goal 2: Creatively transform the look of Folkestone
Goal 3: Creatively change the economy of Folkestone
Goal 4: Change the reputation of Folkestone as a creative town
Goal 5: Create a sustainable Creative Folkestone

A principal focus for the Charity in achieving these goals is the development of the Creative Quarter, in the historic old town area of Folkestone, through a process of property acquisition, refurbishment and letting. The Charity benefits from a collaboration with the Roger De Haan Charitable Trust (RDHCT), which shares many of the Charity's goals. Typically, RDHCT funds the acquisition and refurbishment costs of properties and after the renovation works are complete leases them to the Charity on a long term basis at a peppercorn rent. Creative Folkestone then proceeds to let the refurbished property at affordable rates to artists, education providers and a wide range of creative organisations.

Creative Folkestone has a remarkable record of success having already transformed the most run down part of Folkestone. Around ninety buildings have been restored in the Creative Quarter and the area is populated by artists and creative industries. We use the Quarterhouse, our performance venue that we built in 2008, to stage our annual Folkestone Book Festival and a full programme of music, theatre, dance and comedy. The area has been animated by five internationally acclaimed Folkestone Triennials when we commissioned site specific artworks to be exhibited in the public realm around the town. After each show we kept many of the exhibits and added them to Folkestone Artworks which have then been kept on permanent display. As our collection has grown, so has Folkestone's reputation as a unique destination for those who enjoy contemporary art. In 2021 we took on the stewardship of Prospect Cottage, Derek Jarman's former home in Dungeness, along with a commitment to open its doors to the public through visits and a residency programme.

The Charity continues to work with a range of public and private sector organisations on a number of strategically important initiatives which are helping us to have a profound regenerative impact on the community.

Report of Trustees
For the year ended 31 March 2024

The creative transformation of Folkestone is being achieved through a number of core projects developed and managed by Creative Folkestone: the Creative Quarter, Quarterhouse, Folkestone Book Festival, Folkestone Triennial, Folkestone Artworks and Prospect Cottage; all these initiatives are underpinned by our Learning and Engagement programme.

Public benefit

The Charity's Trustees have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance (PB1, PB2 and PB3) published by the Charity Commission. They are aware of the public benefit requirement, its implications for charities and their duty to report how they have carried out the Charity's purposes for the public benefit and take the public benefit guidance into account when making decisions.

The Charity's particular public benefit activities are included later in this report under Achievements and Performance. Our activities, and particularly our Learning and Engagement work and co-produced festivals, are deeply embedding Creative Folkestone in the local community. Folkestone Triennial, and many other activities, are free of charge to the public.

The Charity continues to contribute to the overall social and economic regeneration of deprived areas in Folkestone through the advancement of the arts, culture, heritage, learning and the establishment of a community of over 800 creative individuals and businesses.

Structure, governance and management

The Charity is a company limited by guarantee with no share capital, and a registered charity. The Charity's memorandum and articles of association are the primary governing documents of the Charity.

Creative Folkestone has a supportive Board of highly skilled and committed Trustees. The Trustees during the year were those set out on page 1. Trustees are also members of the Charity. The Trustees have complied with the duties described under the Charities Act 2011, and with proper regard to the guidance published by the Charity Commission.

The Creative Folkestone Board provides the statutory governance and also governance over artistic vision and quality. The Board is supported by four Sub Committees that oversee Management, Visual Arts, Performing Arts and Learning and Engagement and Creative Quarter Regeneration, and report back their recommendations to the main Board.

We actively advertise for new members of sub-committees of the Board and applicants are interviewed by the CEO and another Trustee. They are invited to join the sub committees and if appropriate can move on to the main board. Our induction process includes Trustees being given a copy of our constitution, audited accounts and copies of trustee meeting minutes, together with the Charity Commission's guidelines for charity trustees. The new Trustee is also given a detailed tour of the Creative Quarter and an introduction to all the projects being undertaken by the Charity.

Although there is no formal training policy in place, the Trustees are encouraged to participate in training programmes either through their principal employer or through participation in ad hoc training courses.

Key management personnel and pay policy

The Charity considers its key management personnel to be its Board of Trustees, the Chief Executive and the Deputy Chief Executive. The remuneration is normally set annually in accordance with the pay policy, with any changes taking effect from the 1st April each year. The Chief Executive and the Deputy Chief Executive are the only paid key management personnel. The pay policy for the Chief Executive and the Deputy Chief Executive is the same as for other staff.

This Strategic Report was approved by the Board of Trustees on 23/9/24 and signed on their behalf by:

.....
Sir Roger De Haan – Chair of Trustees

Achievements and performance

Creative Folkestone overview

At the end of the financial year, Folkestone was named the best place to live in the South-East by *The Sunday Times;* a title which recognises over twenty years of transformational creative placemaking in the town by Creative Folkestone. The importance of Creative Folkestone's work was also recognised in Folkestone and Hythe District Council's decision, in April 2023, to partner with the organisation on a major infrastructure project Levelling Up Fund (LUF).

April 2023 also saw the start of our renewed three-year Arts Council England (ACE) funding as a National Portfolio Organisation (NPO). An ambitious, diverse and inclusive cross arts and engagement programme was presented for a wide-ranging demographic, including people of all ages and backgrounds. This reflects the ambition of our current Business Plan's (2022 – 2027) restated mission to make Folkestone a better place to live, work, study, play and visit for ALL.

In recognition of the changed economic environment, ACE allowed arts organisations to cut their output by 15% without reducing their funding commitment. In this difficult situation we reviewed our output. However, with utility prices and general inflation continuing to rise into the new financial year, changes needed to be made.

Our initial focus in 2023/24 was to embed the cost cutting measures made the year before and concentrate on income generation. Amongst other things, the Quarterhouse Performance Programme focused on more profitable events.

The decision was made to move the 6th edition of Folkestone Triennial to take place in 2025 instead of 2024. This was to align the exhibition with the town's Levelling Up project (LUF) for which Creative Folkestone is a partner.

Our Curator, Sorcha Carey, progressed her vision for the next Triennial and ended the year with all LUF artists and 70% of the rest of the artists confirmed.

The Quarterhouse Performance Programme saw a shift in emphasis from family events, theatre and dance shows to late night disco, dance and music events for a younger audience and events such as music, comedy and streaming all of which generated higher income.

While much of this work had all been started in the previous year, the main change took place in 2023/24. By year end we could see the change to the Quarterhouse Programme had generated an increase in audiences of over 60% and a financial improvement of over £100,000 a year.

The Creative Quarter remained a sought-after place attracting a wide range of increasingly high-quality artists and other creatives. Demand was particularly high for our residential and retail properties, as well as mid-priced studio and office spaces. Our portfolio comprised a total of 270 properties housed in 90 buildings. We attracted 56 new tenants in 45 properties. Average occupancy exceeded 90%.

Open Quarter returned in the summer, inviting Folkestone residents and visitors to join our annual celebration of the Creative Quarter as an amazing and inspiring place. More than 1,500 people enjoyed a weekend of live music, dance, workshops, food and drink or taking up the offer to look behind the scenes and explore the hidden creative spaces.

The Festival Fund, a joint initiative between the Roger De Haan Charitable Trust (RDHCT) and Creative Folkestone, continued to offer financial support and partnership to encourage new festivals and artistic activities centred around Folkestone's Creative Quarter for the benefit of the community and visitors to the town. Grants of up to £5,000 were made available to 14 arts organisations.

Our extensive Learning and Engagement Programme continued to enjoy immense popularity, and our offer of workshops for schools and families, as well as sessions specifically designed for young people, adults and people with special educational needs and disabilities grew. The programme comprised a total of around 250 individual sessions, gatherings and other engagement events and were taken up by 8,000 people.

A newly appointed Book Festival curatorial duo, Jennifer Thatcher and James Harkin, delivered the 2023 Book Festival. The intention was to be 'hyper local' and use the strong network of writers, journalists and thinkers in Folkestone to create the 10-day programme. We sold a total of 2,711 tickets to 38 events and the school engagement programme attracted an additional 1,471 children and young people.

Prospect Cottage remained a popular destination to visit throughout the year and during the 52 open days, Derek Jarman's former home was enjoyed by 1,456 people. A successful first round of residencies was completed which was followed by a second call for applications which attracted 550 submissions, 16 of which were chosen for a paid stay of up to two weeks at the cottage.

The cottage featured in the media several times and was also awarded 'Treasures of European Film Culture' status by the European Film Academy. The cottage was one of six new recipients of the award.

The Hi3 Network project officially came to an end in August 2023 with the focus on working with our partners to ensure that all of its objectives and contractual requirements were met. One of the successes and a legacy of the project was that Screen South remained a tenant supporting film and digital artists and businesses in the district.

The Metropole Collection was transferred from Creative Folkestone to the Town Council as we considered they were best placed to own and care for the works.

The Board of Trustees would like to express their appreciation for the continued generosity of its benefactors, including Art Council England (ACE), Kent County Council (KCC), Folkestone and Hythe District Council (FHDC), Canterbury Christ Church University, Saga, Hi3 Network, Le Shuttle, Linbury Trust, Lord Glendonbrook Trust, Rockefeller and Oak Foundation.

The Board of Trustees would like to convey special thanks to the Trustees of RDHCT for their continued support for the work of Creative Folkestone. The Board of Trustees would also like to express their appreciation for the dedication and hard work of both the Charity's staff and its committee members who are not Trustees. Their hard work, dedication and willingness to adapt to changing conditions, due to the energy crisis and other inflationary pressures made it possible to continue delivering an ambitious and challenging arts and performance programme.

Creative Quarter

Folkestone's Creative Quarter boasts a creative community of over eight hundred people including designers, filmmakers, musicians, web developers and artists located in the Old Town. It is made up of over ninety restored and newly constructed buildings spanning 79 residential flats, 51 retail units and 140 studios and office spaces. The area is home to many creative businesses who have created hundreds of jobs which helped to rejuvenate the local economy. All but three properties are leased by RDHCT to Creative Folkestone on a 125-year term for a peppercorn rent.

About 15% of the 270 properties changed occupancy with 25 tenants moving into residential properties, seven into retail units and 24 into studios and office spaces. There was also a demand for pop-up shops and short-term leases and a total of 10 short term rentals were arranged generating additional income.

Eleven existing tenants moved within the Quarter to adapt to a change in their business or personal requirements. Three downsized their properties while eight tenants moved to larger spaces.

Amongst those particularly successful tenants who upscaled their properties was Kitty McCall, who moved from a smaller unit on the Old High Street to a larger space on Tontine Street. This enabled *Ben's Vintage* to take a four-year lease on one of our most substantial retail spaces on the Old High Street. *Ben's Vintage* joined the Creative Quarter in 2020, and is now in its third unit. They have upscaled with each move. This type of growth demonstrates extraordinary business achievement and is an excellent example of Creative Quarter properties acting as incubation spaces for commercial enterprises.

Demand remained particularly high for our residential and retail properties, as well as mid-priced studio and office spaces. As demand for these properties started to outstrip availability, we instigated cost-effective ways to split larger, spaces for which there was less demand into smaller ones. Due to its success, we will continue with this approach to secure income, maximise occupancy levels and enable more creatives to enter the Creative Quarter.

The Creative Quarter Art Market continued to take place in digital:glassworks giving tenants the opportunity to network with fellow local creatives and promote their products to the public. There are plans to develop this concept into a new artist led market in 2024/25.

We continued to strengthen the relationship with our tenants through regular newsletters and consultation meetings and sessions where we sought their views and advice in order to plan this year's Open Artist Studios event which was part of the annual Open Quarter festival.

The Hi3 Network project officially came to an end in August 2023 after it was granted a two-month extension. Part-funded by the European Regional Development Fund, the project started in 2020 and successfully established a network of researchers, industry specialists and businesses under the leadership of a consortium of five partners, including Creative Folkestone.

The outcome is a legacy of support for freelancers and small businesses working in the field of moving image and screen-based technologies through access to specialist advice, space and equipment at one of the three digital hubs in Maidstone, Canterbury and Folkestone to further the development of innovative digital projects. In the Creative Quarter, this is delivered by Screen South, long term tenant at digital:Glassworks.

Open Quarter took place over a weekend in June and started with Connecting Creatives; a popular event for our tenants to showcase their work and connect with their fellow creatives. In Quarterhouse auditorium, more than 50 participants heard about developments in the Creative Quarter presented by tenants and followed by drinks and an opportunity to dive deeper into the projects.

The Saturday started with an extra edition of the Creative Quarter Art Market located in the reception and atrium area of digital:glassworks where artists, makers, designers and creatives were promoting and selling their products. Parkfest in Payers Park then welcomed music enthusiasts and families to an afternoon of live and electronic music, workshops and other outdoor activities.

The festival ended on Sunday with Open Studios & Exhibitions. More than 27 artists and other creatives opening their doors and giving the public an opportunity to see behind the scenes and wander around the studios and creative workspaces.

Learning and Engagement

At the heart of our activities is our Learning and Engagement Programme giving Folkestone residents of all ages and abilities the opportunity to develop their creativity and artistic potential. More than 250 inspiring and engaging sessions provided approximately 8,000 places.

Three terms of the Neon After School Club took place for four different age groups between the ages of 5 and 16 years. More than 240 children and young people created and developed original work that was then shared with family and friends during a special event at the end of the course. During the summer term, the oldest age group (14-16) produced a short film about their lives in Folkestone that was accepted for GENFest at The Gulbenkian in Canterbury last June.

Neon continued during the summer school holidays offering 20 participants an exciting and creative week to explore theatre, lighting, set design and sound and to learn how to develop and deliver a new theatrical experience.

The practitioner Lydia Hibbert was also back with her Young Animators Club offering three terms of four six weekly courses workshops with each term including two specially adapted series for children with Special Educational Needs (SEN). The sessions were fully booked, attracting a total of 151 participants between the ages of 8-16.

The Young Animator Summer School took place in August over three days including specific sessions for young people with SEN. Forty-seven participants between the ages of 12 and 16 worked with animators, illustrators and filmmakers to explore and experiment with stop-motion and digital animation to create music videos for local bands and musicians.

Fifteen free family drop-in workshops, attended by 980 people, took place in Block 67, in digital:glassworks. The sessions which were open to all ages and participants, offered the opportunity to explore a wide range of creative subjects with local artists that included film, sound, photography, flag making, collage, illustration, puppetry, dance, brass rubbing, lighting and set design, storytelling and exploring the concept of free play. Three Christmas workshops offered families the opportunity to make their own Christmas decorations, cards and lanterns.

Thirty school workshops, attended by 773 children and young people, took place with our Learning Officer who also delivered an additional six workshops to year 10 pupils from Folkestone Academy. This included workshops giving the oppertunity to create large banners depicting individual and class interests, school values and positive messaging and inspired children to think about the environment.

We continued with our project with students from The Edge School of Creative Business in different aspects of our creative programme in order to give them a greater understanding of the careers available in the cultural and creative sector. One student started her work with the Head of Curatorial and was assigned to shadow London-based artist duo *Cooking Sections* throughout the research period, fabrication, planning and launch of their artwork in order to gain valuable work experience and new skills.

Six community workshops attended by a total of 72 participants were offered to various groups including Young Carers, the mental health charity South Kent Mind, Touchbase and to refugee residents of the Napier Barracks. These sessions were similar to the school workshops, but were adapted to cater for different levels and abilities.

A second term of monthly adult evening class was rolled out in June and attracted new participants. The sessions started with exploring mark making and drawing. The class started out on location to draw before working collaboratively in the studio to finalise the sketches.

In September, an Articulation Discovery Day took place in Quarterhouse that was linked to the Articulation Prize organised by the National Gallery. Thirteen students from Folkestone School for Girls were given a tour of the Folkestone Artworks to devise a presentation about the artworks with a view to entering the competition.

The Sixth Edition Folkestone Triennial

Triennial curator, Sorcha Carey, developed the theme of the exhibition which will explore the deep histories of Folkestone, its geology, the Channel and the stones and bones of the area.

Creative Folkestone work with Folkestone and Hythe District Council as the Creative Partner on the town's levelling up project. Our role was to provide artistic guidance on public infrastructure works and to commission and oversee the delivery of several art installations in the town centre. Three artists's proposals have been chosen and we are working with the Levelling Up project team and these works will be included in the 6th Triennial.

The target for the Triennial is to commission up to 20 excellent local, regional and international artists to produce new works. During the year the Triennial project team welcomed 14 artists to Folkestone and supported them with their site-specific research to identify ideas for proposals. Eight proposals were received by end of March 2024 and two local freelance project managers were assigned to approved proposals.

An outline plan was drafted for the Triennial Engagement Programme and collaboration began with local community groups, including The Edge School of Creative Business, People United, KRAN and local schools. One of the focuses has been on hard-to-reach groups and young people to inspire and engage those who feel that contemporary art 'is not for them'.

The Head of Curatorial worked with People United, and assisted with training of four young refugees to become art project managers who will then train other refugees.

Folkestone Artworks

The Folkestone Artworks continued to be enjoyed by visitors, students, and many in our local community and we offered tours, walks, and talks around the artworks. Mark Dion's *Seagull* continued its role as signpost for the exhibition on the Leas and on the Harbour Arm.

We received planning consent and landowner's permissions to keep some of the artworks from Folkestone Triennial 2021 which brought the total number of artworks in the collection to 92, produced by 52 artists.

The exhibition continued to be maintained to a very high standard and regular repairs and renovations works were carried out on more than 10 artworks including Lubaina Himid's *Jelly Mould Pavilion* (2017), Hamish Fulton's *31 Walks From Water To Water 1971 – 2010* (2011), Cornelia Parker's *The Folkestone Mermaid* (2011) and Pablo Bronstein's *Beach Hut In The Style Of Nicholas Hawksmoor* (2014).

Progress was made with the Folkestone Harbour Company and specialist structural engineers in reinstating AK Dolven's *Out of Tune* (2011).

Quarterhouse

Quarterhouse, our bespoke, fully accessible performing arts venue continued to present a diverse programme of music, comedy, dance, film, festivals and was also use for community gatherings.

As our leading regional cultural hub for three rural and coastal districts with a population of over 300,000, attracted people from all backgrounds and protected characteristic groups. Its diverse programme offered something for everyone in the community, at affordable prices.

2023/24 saw the full implementation of the change in the strategic direction of our performance programme that had been agreed the year before and its success was monitored throughout the year. We are pleased to report that by the end of the financial year, 99 performances had attracted more than 15,000 people. An increase of over 60%. The newly established Quarterhouse Lates and Dance and Music Sessions alone attracted nearly 10,000 people.

Comedy

Comedy remained a top seller and one of our most popular performance categories, with six out of eight sold out performances attended by a total of 1,790 people. We secured several well-known national and international comedians including Ivo Graham and the multi-award winning Paul Foot to further consolidate Quarterhouse's reputation as a comedy venue.

Music

The Performance Team scheduled 13 live music gigs which attracted a total of 2,954 guests.

We continued to work with the Brighton based, independent live music promotion company Melting Vinyl who delivered eight live music gigs including the audio-visual artist Max Cooper, the Irish ballad group *Mary Wallopers + Nixer* and *The Unthanks.*

For our new Saturday late night dance and music events, the team established working relationships with local promoters, including *Your House or Mine & Damp Disco,* who brought international and national talent to Folkestone as well as giving local musicians a platform to develop their own performance and music style with support from our technical team. Eleven events took place and were attended by 2,700 people.

We also introduced Quarterhouse Lates, a new music platform offering DJs, producers, artists and music collectives from across Kent the chance to deliver a music set in Quarterhouse every Friday night. We focused on young upcoming artists and members of minority groups who had limited opportunities to gain experience of live performance. The Performing Arts Team supported nearly 50 events that attracted more than 7,000 people.

Live Screening

We showed seven National Theatre, six Royal Opera House live screenings and two live performances of the West End hit, *A Little Life*, filmed at the Savoy Theatre in London. The 15 live screenings were enjoyed by 1,528 people.

Community Engagement

In addition to using our buildings as the base for our own learning programme, we also used them when we worked in partnerships with various other, supported artists' development and community engagement events. This included free use of our spaces for Folkestone's Women's Forum (12 per annum), Folkestone Food Hub (weekly), Folkestone Book Group (monthly), Artists Development (24 per annum), Yo Songsters (weekly), Young Strings (weekly in term time), Folkestone Performing Arts (weekly in term time), Confidance and Confico (weekly in term time), MCDC Dance (monthly), Shepway Youth Group (weekly in term time).

Festivals

The call for applications to the Festival Fund was announced in January 2023 for projects to take place between April 2023 and March 2024.

We invited applicants to apply for up to £5,000 each. There were three rounds in March, April and July chosen to give time to the grantees to seek match funding if necessary. In total we received 27 applications of which 14 were successful, in total allocating £50,000.

The successful projects were - Folkestone First Timers Festival (£1,000), Music in May – Busking Out All Over (£4,000), Sacconi Music Chamber Festival (£4,000), Charivari 2023 (£4,000), fABLE Film Festival (£1,000), Folkestone Pride 2023 (£4,000), Sunny Sands Sandcastle Competition (£580), Folkestone Film Festival (£5,000), Folkestone Living Advent Calendar 2023 (£5,000), Gateway Music Festival 2024 (£5,000), SALT + EARTH Festival: Festival of Landscape, Seascape & Environment (£5,000), Queers on the Block/Last Fridays (£5,000), Living Music (£3,000), Take up Space (£3,420).

Below are some of the highlights described in more detail.

SALT & EARTH: Festival of Landscape, Seascape & Environment

SALT + EARTH returned on 8 – 10 September 2023. The weekend consisted of the sixth iteration of the festival and continued the collaboration between Folkestone Fringe, Creative Folkestone and Kent Downs Area of Outstanding Natural Beauty (ANOB).

The weekend consisted of a rich programme of discussions, exhibitions, film, dancing, live art, walks, workshops, experiences for families and children, swimming and eating. The participating artists were invited to share, with audiences, an understanding of the unique landscape of the Kent Downs, why they are internationally important, imbuing the people of Kent with an excitement about their distinctiveness and supporting Kent Downs AONB's aspiration to achieve UNESCO Global Geopark Status.

An audience of 1,033 was recorded and many thousands more were reached through the social media channels Facebook, X and Instagram.

Folkestone Living Advent Calendar 2023

Folkestone Living Advent Calendar (FLAC) was established by Jim Jam Arts, a Folkestone-based theatre company specialising in projects, performances and events that are for, by and with the local community.

Each evening from December 1st to the 24th, a different door in town was opened to reveal a unique, live performance. A wide range of artists and collectives were commissioned to deliver a diverse programme ranging from modern dance to an improvised musical, from big bands and opera to cabaret, puppetry and art installations.

The festival attracted a wide cross-section of audiences which were enhanced by the organisers working with 24 community groups many of whom supported people who have had difficulties building relationships within the community. Twelve new venues were used, broadening the reach of the festival to Cheriton and Sandgate, showcasing more of what Folkestone and the district had to offer.

The events were attended in-person by 4,298 people, and more than 25,000 online, and the website had over 3,000 visitors.

Folkestone Book Festival

Every Autumn, Creative Folkestone hosts the Folkestone Book Festival which first started in 1982 as Kent Literary Festival. For 10 days in November, books and ideas took over the town with discussions taking place between renowned authors, journalists and thinkers in front of a diverse audience of all ages and interests.

The 2023 festival's emphasis was on engaging local talent. The newly appointed, locally based, curator duo Jennifer Thatcher and James Harkin, received editorial support from a group of writers and readers from Folkestone.

The festival focussed on global concerns and explored issues which were scrutinised through a hyper-local lens and discussed by over 70 writers and personalities, including Yomi Adegoke, Reverend Fergus Butler-Gallie, Jeremy Deller, Jane Glover, Henry Jeffreys, Sally Hayden, Bruce Ingman, Kim-Joy, Theo Padnos, Celia Pym, Nikky Smedley, Frances Tophill, Alice Vincent and Jackie Wilks.

2,711 tickets were sold for 38 events and the school engagement programme attracted 1,471 children and young people.

The programme was jam-packed with eclectic and thought-provoking events which included a wide range of writing genres, fiction, poetry, history, science, biography, topics of this time and place, nature, pollution and refugees. It highlighted many of the authors everyday interests such as food, wine, dogs, fashion, gardening, sewing and crafting.

As in previous years, the festival opened with our traditional switching on of the Creative Quarter Christmas Lights inviting Folkestone residents and visitors to get into the festive spirit and enjoy the winterly magic of the Quarter. This time the lights were switched on by British baker and cookbook writer Kim-Joy who then went to the Quarterhouse to discuss writing, baking and mental healthwith illustrator Nicola Sheen.

The Book Festival's talks and workshops aimed at adults were complemented by a comprehensive, free schools programme intended to inspire a future generation of authors, readers and thinkers. Four well-known authors and writers presented events for children and young people from 12 primary and 5 secondary schools from Folkestone and the surrounding area. The author, and one-time Teletubby, Nicky Smedley, joined a family workshop that invited children to make crowns to then use them to develop and tell stories.

Folkestone Book Festival was sponsored by Saga, Le Shuttle and Canterbury Christ Church University. We thank them for their generous support.

Prospect Cottage

Prospect Cottage, situated on the shoreline of Dungeness, was the coastal sanctuary of artist, film maker and gay activist Derak Jarman, from 1986 to his death in 1994. Jarman turned the cottage into a work of art and cultivated a garden in the surrounding shingle where he grew hardy plants mixed with sculptures made from driftwood and other flotsam.

As custodian of the cottage and garden, we continued to offer visits to the public where guides gave people the opportunity to have a unique insight into Jarman's remarkable life and work.

Public demand to visit Prospect Cottage remained strong and, during the 52 open days, it was enjoyed by 1,456 people. Our survey showed that over 90% of visitors had an excellent experience and considered the format of the tour to be well designed and well delivered.

The Prospect Cottage Team continued with their conservation work to protect and maintain the cottage and garden. They were supported by independent conservation experts who gave advice on future maintenance and the conservation of Jarman's paintings, assemblages and sculptures. With this support and that of the Prospect Cottage Advisory Sub-Committee, the team began the work of drawing up a detailed action plan to ensure the building and the artworks are maintained to the highest standard.

The well-known gardener Jonny Bruce continued to tend the garden. As in previous years, he organised weekends where students were offered the chance to gain in-depth knowledge of the famous garden and its design.

Following the successful completion of the first Residency Programme a second and third were advertised in September 2023.

Over 550 applications were received. The Prospect Cottage Residency Advisory Panel, chaired by Tacita Dean, selected 16 successful applicants for a paid stay of up to two weeks. The programme commenced in January 2024 and, by the end of March, six residencies have taken place.

In addition to the residencies, six successful applicants to the Research and Development Programme spent a day at the cottage. This programme was available to academics, artists, writers, researchers, gardeners, environmentalists, and other creatives to learn more about Derek Jarman, his art, books and the garden.

We are very grateful to the Linbury Trust, Lord Glendonbrook and Rockefeller Trust for their generous contributions to the Residency Programme.

In December we presented, in collaboration with the British Film Institute, video installations by Michael Powell, Derek Jarman, Victor Burgin and Adebukola Buki Bodunrin, along with reproductions on paper of designs from Powell's unmade Tempt along with Derek Jarman's completed film of *The Tempest*. The work was presented in five rooms in the cottage and highlighted the influence Powell and Pressburger had on Derek Jarman, a great admirer of this legendary film-maker partnership. The event sold out with 92 people visiting the exhibition.

In February 2024 in memoriam of Derek Jarman's death 30 years ago we streamed a 3-hour film of the sunset at Prospect Cottage together with a link to a Spotify playlist on YouTube. Music was chosen from the collection of 200 CDs that were owned by Derek Jarman and his long-term companion Keith Collins.

An audience of 2,359 people from around the world including Tasmania, Canada, and California attended the session(the link to the Spotify playlist remains live).

The cottage was featured in the media several times and was awarded 'Treasures of European Film Culture' status by the European Film Academy. They already recognise Prospect Cottage as 'a place of historical value that need to be maintained and protected not just now, but for generations to come'.

Diversity

Diversity and equality are embedded in all Creative Folkestone activities in order that everyone in the community, irrespective of their racial and social background and ability,has the chance to have a full cultural and creative life. We believe that the more we embrace diversity, the richer our results will be.

Our intention is to represent the diversity of Britain in our creative programming, on our stages and in our exhibitions and to represent the diversity of our community in our team, governance, staff, volunteers, tenants and audiences.

We continue to try to better understand what the barriers to attendance were. We took action to develop and grow relationships and we reached out to, and involved, local communities in our work.

Environment

Creative Folkestone continued to monitor its environmental performance with the intention of reducing waste, consumption of energy, water and, where reduction was not possible, to find a sustainable solution.

The aims and objectives were described in detail in our redrafted Environmental Action Plan and Policy. The framework of the plan follows the recommendations of the Theatre Green Book which outlines sustainable standards for theatre buildings, productions and operations.

Throught the year environmental data was collected using the Creative Climate Tools, a free online carbon calculator developed by the environmental charity, Julie's Bicycle, to measure and understand the environmental impact of our performance space, Quarterhouse.

Creative Folkestone's overall environmental impact was 64 tonnes CO2e, down from 104 tonnes the previous year. Of this, 34 tonnes related to energy use which remained the same as in the previous year, water and sewage were slightly down to 273kg compared to 280kg, waste was up at 21 tonnes compared to 13 tonnes, and audience travel was reduced to 10 tonnes CO2e compared to 56 tonnes the previous year. The carbon footprint from audience travel was shown to be significantly reduced despite audience

numbers increasing. The reason was that we gathered information through a survey of how our audiences travelled. Last year we used the default measures used by July's Bicycle in previous years.

It is important to note that although the energy use remained the same, nearly a third of the electricity (25,714kWh) was produced sustainably from our newly installed solar panels on the Quarterhouse roof. This provided a huge saving of £7,000 (17,000 kWh) in the period July – September compared to the same period in the previous year.

Press and Media
In the year there was a great deal of press and media coverage that highlighted Folkestone as a great place to live, work, play, study and visit for all. Most notably in March Folkestone was awarded 'the best place to live in the UK' by the Sunday Times acknowledging the success in cultural placemaking at its centre.

A total of 37 press and media items were secured, some of them published through channels with significant audience. In addition, we also secured TV coverage with programmes due to be released later in 2024.

For the first time we employed PR support to promote our work at Prospect Cottage and the specific events are organised there. This included the Powell and Pressburger event, in partnership with the British Film Institute, and our digital event marking 30 years since Jarman's death. Both of these events provided a platform for us to speak about Prospect Cottage and elevate Creative Folkestone's profile.

Press highlights 2023/24:

- BBC Travel
  17 Apr 2023, A new life for Britain's seaside towns by Andrew Eames
  Instagram Followers: 1.6 million
  https://www.bbc.com/travel/article/20230416-a-new-life-for-britains-seaside-towns
- The Spectator
  3 Jul 2023, Move over Brighton: is Folkestone the next coastal property hotspot? by Liz Rowlinson
  Online monthly readership: 2 million
  https://www.spectator.co.uk/article/move-over-brighton-is-folkestone-the-next-coastal-property-hotspot/ -
- Design Week
  1 Dec 2023, Tracing the design legacy of Powell and Pressburger's films by Sophie Tolhurst
  Paying readers: 11,000
  https://www.designweek.co.uk/powell-and-pressburger-film-design-legacy/
- The World of Interiors
  19 Feb 2024, THE DIRECTOR'S HUT by James Graham
  Total readership: 152,000
  https://www.worldofinteriors.com/story/derek-jarman-prospect-cottage
- Daily Mail
  23 Feb 2024, Folkestone dubbed the new Whitstable after undergoing a dramatic transformation by Fred Redwood
  Daily readership: 2.18 million
  https://www.dailymail.co.uk/property/article-13114693/Folkestone-dubbed-new-Whitstable-undergoing-dramatic-transformation.html
- The Express
  25 Feb 2024, The beautiful seaside town once rundown but now transformed by £100m revamp by Max Parry
  Daily readership: 150,000
  https://www.express.co.uk/news/uk/1868339/beautiful-uk-seaside-town-folkestone-revamp

- The Times
  15 Mar 2024, Folkestone, Kent, named best place to live in southeast England 2024
  by Tim Palmer
  Daily readership: 1 million
  https://www.express.co.uk/news/uk/1868339/beautiful-uk-seaside-town-folkestone-revamp

Future Plans

2024/25 is the second year of ACE NPO three-year funding and we will continue to build on and embed the ACE investment principles of Inclusivity and Relevance, Environmental Responsibility, Dynamism, and Ambition and Quality into everything that we do.

KCC (Kent County Council) has moved Folkestone Library to a temporary site and the old Grade II listed Folkestone Library building, built in 1888 and sited on the boundary of our Creative Quarter, is now empty and at risk. Creative Folkestone discussed a plan with KCC that could have allowed the library to remain in its building and we are hopeful that the plan may still be viable and be accepted by the county council. We intend to launch a campaign to *Keep The Library Alive* called FOLKESTONE IS A LIBRARY with the aim of identifying Folkestone as a town where a love for literature thrives.

In response to the closure of the library building, we are reimagining Folkestone as a living, breathing library. Working with Bob and Roberta Smith once again, we will be creating a graphic for FOLKESTONE IS A LIBRARY (FIAL), which we hope to release when we launch our campaign at this year's Book Festival in November.

We will start a conversation with our community leaders, readers, writers, borrowers, lenders, activists, learners, and teachers to find out what libraries mean to them. Our intention is that as a result of this work we will be able to develop a programme to keep the spirit of the library alive. Our new Curator of Books, Ideas and Community, Sophie Haydock, will oversee the campaign and the programme around it. Sophie is an author, journalist and a Folkestone resident.

The Creative Quarter Team will continue their efforts to maintain tenancy occupancy at over 90%. The Creative Quarter remains a sought-after location for artists and other creatives and we will continue to adapt our properties to respond to the changing demand in retail and office spaces in order that we keep attracting high-quality and promising applicants.

We will continue to support the community in the Creative Quarter by providing business opportunities for our tenants whenever we can, and delivering a programme of networking and skill-sharing events. Our tenants will be given the opportunity to be involved in our shaping community events such as Open Quarter and the Creative Quarter Market.

We will continue to aim at growing high standards of maintenance throughout the year responding swiftly to any issues raised. The Creative Quarter team will continue to lead on the environmental impact work driving lower use of utility and exploring opportunities for green energy production.

Our Learning and Engagement programme will continue with its work of delivering a wide range of workshops, including Neon After School Club, Young Animators and free family drop-in sessions. The school programme will strengthen its relationships with local schools and Higher Education Institutions and continue to expand its efforts with hard-to-reach students. The new adult art classes that were tested in 2023 will be continued as will the work with community groups such as Mind, Touchbase and the refugees housed in Napier Barracks.

Plans for the sixth edition of the Folkestone Triennial are advancing well, under the leadership of the curator, Sorcha Carey and the selection of up to 20 artists for the exhibition will be completed and the artworks commissioned. Production of some of the artworks has already started.

Details of the exhibition route will be mapped out and work on submitting the planning applications for the artworks will start. The plans for the Triennial Engagement Programme will be finalised and the Triennial project team will continue to engage with community groups and individuals.

2024/25 will be the second year of our new Quarterhouse programme with its emphasis on music, late nights, streaming and comedy, all of which have shown to increase audience numbers and income. We

will continue to develop our relationships with agents and promotors to enable us to expand the programme. We will also be testing the viability of bringing back family shows, film and theatre to Quarterhouse.

We will continue to work in partnership with the RDHCT to support local creative organisations and individuals with grants from the Festivals Fund with a focus on diversity and inclusion of underrepresented groups and to delivering high quality creative activity.

Our Prospect Cottage team will continue to offer public visits. They will deliver the residencies, selected in 2023, in Derek Jarman's home in short-term Research and Development artist visits. The maintenance programme will continue to ensure the cottage and its contents are cared for and Derek Jarman's legacy protected for future generations.

Over the next year the overarching objective for all our activities will be to continue to help Folkestone's transformation. Our creative placemaking will continue to benefit the whole community in order to make Folkestone a better place to live, work, study, play and visit for ALL.

Financial review

The financial position of the Charity is as set out in the financial statements for the year. During the financial year ended 31 March 2024, the Charity achieved a surplus of £422,497 (2023: £85,973).

The majority of the surplus came from funds donated to the 2025 Folkestone Triennial and will be reserved for the exhibition.

As a response to the challenges of high levels of inflation and the high rises in the cost of, insurance, utilities and building maintenance the Charity reduced its costs, wherever possible, while continuing to provide support to its staff and tenants. The Charity, which had been taking steps to build up its cash reserves, improved its resilience during the year.

The Charity held long leasehold properties with a balance sheet value at 31 March 2024 of £15.2 million. These properties are owned by the Roger De Haan Charitable Trust and leased to Creative Folkestone at a peppercorn rent for 125 years. They provide a rental income for the Charity which is used to satisfy its charitable objectives.

These properties will only be rented for creative and educational purposes, and their capital value may never be realised by the Charity.

The high level of restricted funds shown in the balance sheet as at 31 March 2024 relates principally to properties in the Creative Quarter.

The organisation has agreed with the Arts Council to deliver a set of objectives and focuses its performance to deliver them. In addition, it has set a number of high level financial KPI's and it ensures, through its reporting and governance structures, that its performance is scrutinised regularly.

Reserves policy

Since 2016, the charity has built a cash reserve in addition to its property assets. As a result of a risk-based assessment of need the Creative Folkestone Board of Trustees has set a target range of between £250,000 and £400,000 for its free reserves. This figure was raised temporarily, to £600,000 in response to the difficult economic environment. The reserves are set out in note 22 of the financial statements. An update of the reserves policy will be conducted once a more normal economic environment is reestablished.

Designated funds

Each Folkestone Triennial incurs costs beyond the charity's usual annual expenditure. In the years between preparation for the Triennials the Board designates reserves for future exhibitions. The cost of a Triennial is circa £2,300,000.

The Trustees have designated a total of £652,363 to Triennial 2025. A further £248,000 is designated to the 2028 Triennial.

Investment policy

During the year the charity looked to maximise its income whilst taking a low risk on its investment It purchased a £1,100,000 Treasury Gilt that will mature in January 2025 and kept minimal funds for working capital in its NatWest interest account and placed the balance with a Rathbones Bank Time Deposit.

Principal risks and uncertainties

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Regular formal Trustee and management meetings were held to review progress towards achieving the Charity's objectives. The Senior Management Team regularly addressed the schedule of risks identified by the Trustees and put in place procedures and controls to ensure those risks were adequately managed. The principal risks were a) economic downturn b) loss of key Board members and staff and c) failure to hit earned income and fundraising targets. The mitigating actions were identified in Creative Folkestone's business plan, including setting aside appropriate reserves, good property management, succession planning and investing in fundraising.

Equal opportunities and diversity policy

The Trustees recognised that ensuring equal opportunities for all is an integral part of good practice within the workplace and Creative Folkestone remained committed to its comprehensive Equality and Diversity Policy.

The Charity ensured that the buildings it occupied complied with the statutory regulations in place in relation to disabled access.

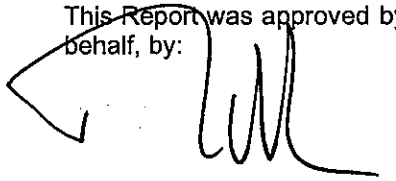
Auditor

In accordance with the charitable company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as audit will be put at a General Meeting.

Strategic report

The matters which the Trustees deem to be of strategic importance have been included within the Report of Trustees on pages 1 to 4 in accordance with section 414c(11) of the Companies Act 2006.

This Report was approved by the Board of Trustees on 23/9/24 and signed on their behalf, by:



Sir Roger De Haan – Chair of Trustees

CREATIVE FOLKESTONE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Creative Folkestone for the purposes of company law) are responsible for preparing the Strategic Report, Report of the Trustees 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 those financial statements, the Trustees are required to:

a. select suitable accounting policies and then apply them consistently;

b. observe the methods and principles in the Charities SORP;

c. make judgements and accounting estimates that are reasonable and prudent;

d. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and;

e. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE FOLKESTONE

Opinion on financial statements

We have audited the financial statements of Creative Folkestone (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE FOLKESTONE

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of Trustees, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Report of Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Report of Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011 and the charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of Trustees and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and tenancy laws. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls and as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgements and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Nicholas Sladden (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP
Statutory Auditor, Chartered Accountants
25 Farringdon Street
London, EC4A 4AB

4 November 2024

CREATIVE FOLKESTONE

Statement of Financial Activities (Including Income and Expenditure Account)

For the year ended 31 March 2024

	Notes	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	2023 Total Funds £
Income from:					
Donations and legacies	3	4,962	50,000	54,962	40,481
Charitable activities	4	2,487,699	291,651	2,779,350	2,628,745
Other trading activities	5	199,567	-	199,567	118,918
Investments	6	44,538	-	44,538	5,270
Total income		2,736,766	341,651	3,078,417	2,793,414
Expenditure on:					
Raising funds		164	-	164	-
Charitable activities	7	2,266,038	318,366	2,584,404	2,662,422
Other trading activities	10	77,666	-	77,666	45,019
Total expenditure		2,343,868	318,366	2,662,234	2,707,441
Net income		392,898	23,285	416,183	85,973
Transfers between funds		-	-	-	-
Gains on investments	16	6,314	-	6,314	-
Net movement in funds		399,212	23,285	422,497	85,973
Total funds at 1 April		1,428,658	19,467,253	20,895,911	20,809,938
Total funds at 31 March		1,827,870	19,490,538	21,318,408	20,895,911

CREATIVE FOLKESTONE

Balance Sheet

At 31 March 2024

Company Registration Number: 04566484

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	14	19,612,193	19,680,486
Heritage assets	15	-	53,400
Investment in subsidiary	17	1	1
		19,612,194	19,733,887
Current assets			
Investments	16	1,623,809	-
Debtors	18	177,009	204,545
Cash at bank and in hand		363,511	1,398,391
		2,164,329	1,602,936
Creditors: amounts falling due within one year	19	(458,115)	(440,912)
Net current assets		1,706,214	1,162,024
Net assets		21,318,408	20,895,911
Funds			
Unrestricted funds	22	1,827,870	1,428,658
Restricted funds	22	19,490,538	19,467,253
Total funds		21,318,408	20,895,911

The financial statements on pages 21 to 37 were approved by the board and authorised for issue on 23/9/24 and signed on its behalf by:

Sir Roger M De Haan – Chair of Trustees

CREATIVE FOLKESTONE

Statement of Cash Flows

For the year ended 31 March 2024

	Notes	2024 £	2023 £
Cash from operating activities:			
Net cash generated from operating activities	24	581,047	296,653
Interest received		44,538	5,270
Cash generated from operations:		625,585	301,923
Cash flows from investing activities:			
Purchase of tangible fixed assets		(42,970)	-
Net (purchase)/sale of other investments		(1,598,774)	-
Cash used in investing activities:		(1,641,744)	-
Net (decrease)/increase in cash and cash equivalents		(1,016,159)	301,923
Cash and cash equivalents 1 April		1,398,391	1,096,468
Cash and cash equivalents 31 March		382,232	1,398,391
Relating to:			
Cash at bank and in hand		363,511	1,398,391
Current asset investments		18,721	-
		382,232	1,398,391

1 Accounting policies

Legal status
The Charity is a company limited by guarantee. The members of the company are the Trustees. 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 Charity's objectives and aims are disclosed in the Report of Trustees.

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention, modified to include certain fixed assets at fair value. The financial statements have also been prepared in accordance with the accounting policies set out in more detail below, to comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019 (the FRS 102 Charities SORP 2019).

The financial statements are prepared in Sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

The Charity constitutes a public benefit entity as defined by FRS 102.

Going concern
The Trustees confirm that at the time of approving the financial statements, there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for at least 12 months from signing these financial statements. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, and the Charity's reserves position. The Trustees have reviewed in detail the Charity's position and the appropriate basis on which to prepare the financial statements.

The stress testing of the Charity's financial position has satisfied the Trustees that it has adequate reserves and mitigation strategies available to deal with issues as they unfold. The cash position is strong, the Charity has no debt, the rental income has so far held up well. Funding from the Arts Council has been secured for the next two years. The Trustees recognise that 2024/2025 will be another challenging year and have structured the budget accordingly while assessing what further actions can be taken if needs be and they have concluded that it remains appropriate to prepare the financial statements of the Charity on the going concern basis.

Consolidation
The financial statements present information about the Charity as an individual undertaking and not about its group. The Charity has taken advantage of section 402 of the Companies Act 2006 not to prepare consolidated financial statements as the directors consider that the Charity's subsidiary may be excluded from consolidation as it is immaterial for the purpose of a true and fair view.

Income
Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the items(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donated facilities and gifts in kind are included at the value to the Charity where this can be quantified, and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

1 Accounting policies (continued)

Income from government and other grants, whether 'capital' grants relating to tangible fixed assets 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.

Expenditure
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Governance costs include those costs incurred in the governance of the Charity and are primarily associated with constitutional and statutory requirements.

Support costs represent finance, administration and other indirect central costs. The support costs have been allocated in proportion to the direct costs incurred in respect of each activity.

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 Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Heritage assets
Metropole:
This comprises artworks that were collected through the Metropole Arts Centre that are owned by the Charity. This artwork is recognised as a heritage asset for the purposes of these financial statements, in accordance with the Charities SORP Section 18, since it is held and maintained principally for its contribution to knowledge and culture. The Trustees valued this artwork at £53,400 based upon valuations for various parts of the collection. During the year, the artwork was donated to Folkestone Town Council.

Art Buff:
The Charity owns the Banksy artwork known as "Art Buff". This artwork is recognised as a heritage asset for the purposes of these financial statements, in accordance with the Charities SORP Section 18, since it is held and maintained principally for its contribution to knowledge and culture. It is included at zero net book value since information on its value is not available and a reliable estimate cannot be made of the asset's fair value. Furthermore, it is considered that the asset has no monetary value to the Charity, because the Charity considers that it would not be appropriate to sell the asset.

Taxation
Creative Folkestone is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

1 Accounting policies (continued)

Tangible fixed assets
Tangible fixed assets are stated at cost less depreciation and impairment losses. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	150 years straight line
Long leasehold and leasehold improvements	250 years straight line
Plant and machinery	15 – 33% on cost straight line
Computer equipment	33% on cost straight line
Fixtures and fittings	15% on cost straight line

A full year of depreciation is charged in the year of purchase and no depreciation is charged in the year of disposal.

At each reporting end date, the Trustees review the carrying amounts of its freehold and leasehold assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Investments
Listed investments are stated at market value in the balance sheet with net gains and losses on revaluation and disposal being taken to the Statement of Financial Activities.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, with original maturities of three months or less, and bank overdrafts.

Financial instruments
The charitable company applies the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument and are offset only when the charitable company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets, including trade and other receivables (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at transaction price and subsequently measured at amortised cost, being the transaction price less amounts settled and any impairment losses.

Basic financial liabilities, including trade and other payables are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2 Accounting estimates and areas of judgement

In application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Heritage assets
The carrying value of the heritage assets, as valued by the Trustees, is considered to be a key area of estimation.

During the year The Metropole Collection was transferred to the Town Council who are best placed to own and care for the works. The remaining Heritage Asset, known as "Art Buff" remains in the care of Creative Folkestone and is considered to have no quantifiable monetary value.

3 Donations and legacies

	2024 £	2023 £
Restricted		
Roger De Haan Charitable Trust: Folkestone Festivals Fund	50,000	34,000
Total restricted	50,000	34,000
Unrestricted		
Other	4,962	6,481
Total unrestricted	4,962	6,481
Total donations and legacies	54,962	40,481

4 Charitable activities

	Rental income £	Grants £	Other sources of income £	Total £
Creative Quarter	1,550,744	-	-	1,550,744
Folkestone Triennial	-	-	455,765	455,765
Folkestone Artworks	-	-	85,800	85,800
Prospect Cottage	-	-	130,714	130,714
Quarterhouse	13,437	66,651	101,713	181,801
Arts Programme Festivals and events	-	-	26,966	26,966
Learning & Engagement	-	-	20,652	20,652
Development	-	270,360	56,548	326,908
2024 Total activities	**1,564,181**	**337,011**	**878,158**	**2,779,350**
2023 Total activities	**1,509,713**	**342,698**	**776,334**	**2,628,745**

Of the £2,779,350 income received in the period to 31 March 2024, £291,651 was attributable to restricted funds and £2,487,699 was attributable to unrestricted funds.

Of the £2,628,745 income received in the period to 31 March 2023, £25,000 was attributable to restricted funds and £2,603,745 was attributable to unrestricted funds.

5 Other trading activities

	Unrestricted 2024 £	2023 £
Bar income	135,468	62,528
Parking income	42,407	35,635
Film and other sundry income	21,692	20,755
	199,567	118,918

6 Investments

	Unrestricted 2024 £	2023 £
Deposit account interest	26,880	5,270
Income from investments	17,658	-
	44,538	5,270

7 Charitable activities

	Direct Costs £	Grants & donations payable £	Support costs £	Total £
Creative Quarter	936,076	-	260,094	1,196,170
Arts programme festivals and events	66,058	50,000	19,900	135,958
Folkestone Triennial	95,495	-	28,768	124,263
Folkestone Artworks	78,123	53,400	23,534	155,057
Prospect Cottage	80,380	-	24,214	104,594
Quarterhouse	529,363	-	209,430	738,793
Learning & Engagement	39,931	-	12,029	51,960
Development	77,609	-	-	77,609
2024 Total activities	1,903,035	103,400	577,969	2,584,404
2023 Total activities	2,039,404	34,000	589,018	2,662,422

Of the £2,584,404 charitable activities expenditure in the period to 31 March 2024, £318,366 was attributable to restricted funds and £2,266,038 was attributable to unrestricted funds.

Of the £2,662,422 charitable activities expenditure in the period to 31 March 2023, £161,452 was attributable to restricted funds and £2,500,970 was attributable to unrestricted funds.

8 Grants and donations payable

	Unrestricted 2024 £	2023 £
Arts programme festivals and events	50,000	34,000
Folkestone Artworks	53,400	-
	103,400	34,000

The £53,400 within grants and donations payable above relates to the donation of the Heritage assets to the Folkestone Town Council (see note 15).

9 Support costs

Support costs represent finance, administration, and other indirect central costs. The support costs have been allocated in proportion to the direct costs incurred in respect of each activity excluding depreciation and gifts in kind.

10 Other trading activities

	Unrestricted 2024 £	2023 £
Bar expenditure	77,666	45,019

Notes to the Financial Statements (continued)
For the year ended 31 March 2024

11 Auditor's remuneration	2024 £	2023 £
Audit services – statutory audit of the Charity	26,000	24,750
Other services:		
Auditor's non-audit services	6,650	6,350
	32,650	31,100

12 Net income	2024 £	2023 £
This is stated after charging:		
Depreciation	111,263	104,265

13 Staff costs and remuneration of key management personnel	2024 £	2023 £
Wages and salaries	793,287	807,121
Social security costs	68,186	78,194
Pension costs	70,168	72,923
	931,641	958,238

The average monthly number of employees during the year was as follows:	2024 no.	2023 no.
Creative Quarter	5	4
Arts programme festivals and events	1	1
Development	1	2
Marketing	2	3
Learning and engagement	1	1
Management and administration	5	5
Quarterhouse	2	3
Triennial	1	1
Visitor Experience	6	5
Prospect Cottage	1	1
	25	26

The number of employees whose emoluments for the year fell within the following bands was:

£90,001 – £100,000	1	1

All employees earning more than £60,000 in the current and previous year participated in the pension scheme. Contributions for the year totalled £13,538 (2023: £12,825).

13 Staff costs and remuneration of key management personnel (continued)

The Chief Executive Officer, Mr A Upton, was also a member of the Board of Trustees during the year and received remuneration and benefits for his services in that office, through an employment contract with the Charity, of £95,449 (2023: £90,699) and pension contributions for the period of £13,538 (2023: £12,825). Mr A Upton was also reimbursed expenses in his role as Chief Executive Officer totalling £3,815 (2023: £2,771) which relate to travel, subsistence and telephone costs.

The Deputy Chief Executive Officer, from 21 November 2023 was Mr S Cater. Remuneration and benefits for his services in that office, through an employment contract with the Charity, of £18,733 (2023: £Nil) and pension contributions for the period of £260 (2023: £Nil).

The Deputy Chief Executive Officer, to 31 October 2023 was Mrs F Kingsman. Remuneration and benefits for her services in that office, through an employment contract with the Charity, of £32,602 (2023: £52,775) and pension contributions for the period of £3,260 (2023: £5,278).

The Charity considers its Board of Trustees, including the Chief Executive and Deputy Chief Executive Officer, as their key management personnel. No other members of the key management personnel received remuneration during the current period or previous year.

14 Tangible fixed assets	Freehold property £	Long leasehold and leasehold improvements £	Plant and machinery £	Furniture & Fixtures £	Computer equipment £	Total £
Cost						
At 1 April 2023	5,992,909	16,579,329	129,223	9,595	24,978	22,736,034
Additions	-	-	42,970	-	-	42,970
At 31 March 2024	5,992,909	16,579,329	172,193	9,595	24,978	22,779,004
Depreciation						
At 1 April 2023	1,542,092	1,349,660	129,223	9,595	24,978	3,055,548
Charge for the year	39,952	64,313	6,998	-	-	111,263
At 31 March 2024	1,582,044	1,413,973	136,221	9,595	24,978	3,166,811
Net book value						
31 March 2024	4,410,865	15,165,356	35,972	-	-	19,612,193
31 March 2023	4,450,817	15,229,669	-	-	-	19,680,486

15 Heritage assets

	Total £
Market value	
At 1 April 2023	53,400
Disposal	(53,400)
At 31 March 2024	-
Net book value	
At 1 April 2023	53,400
At 31 March 2024	-

During the year, the heritage assets known as The Metropole Collection was transferred to Folkestone Town Council and is included within note 8, grants and donations payable. Art Buff, remained with the Charity but is considered to have no quantifiable monetary value.

16 Investments

	Listed Investments £
Market value	
At 1 April 2023	-
Net additions	1,598,774
Gain on investments	6,314
	1,605,088
Cash	18,721
At 31 March 2024	1,623,809
Net book value	
At 1 April 2023	-
At 31 March 2024	1,623,809

The historical cost of the investments is £1,600,000.

17 Investment in subsidiaries

	Shares in group undertakings £
Market value	
At 1 April 2023 and 31 March 2024	1
Net book value	
At 1 April 2023 and 31 March 2024	1

17 Investment in subsidiaries (continued)

The Charity's investment at the balance sheet date was held in the following company:

	Registered Office	Class of share	% held Directly	% held Indirectly	Nature of business
The Creative Foundation (Trading) Limited	Quarterhouse, Mill Bay, Folkestone, Kent CT20 1BN	Ordinary A	100%	-	Dormant

18 Debtors: amounts falling due within one year

	2024 £	2023 £
Trade debtors	44,211	10,710
Other debtors	48,998	40,783
VAT	-	8,498
Prepayments and accrued income	83,800	144,554
	177,009	204,545

19 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	99,470	138,122
Amounts owed to group undertakings	647	647
Social security and other taxes	21,096	15,738
Other creditors	171,967	148,440
Accruals	75,330	82,042
Deferred income (note 19a)	89,605	55,923
	458,115	440,912

19a Deferred income

	2024 £	2023 £
Deferred income as at 1 April	55,923	99,265
Income received requiring deferment	89,605	55,923
Release of income during the year	(55,923)	(99,265)
Deferred income as at 31 March	89,605	55,923

Deferred income of £48,218 (2023: £41,934) represents income received in advance for property rentals, £41,387 (2023: £13,989) represents income received in advance in relation to grants.

20 Pension

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £70,168 (2023: £72,923). The total contributions outstanding at the year-end were £Nil (2023: £Nil).

21 Analysis of net assets between funds – 31 March 2024	Unrestricted funds £	Restricted funds £	Total Funds 2024 £	Total funds 2023 £
Fixed assets	247,392	19,364,801	19,612,193	19,733,886
Investments in subsidiary	1	-	1	1
Current assets	2,038,592	125,737	2,164,329	1,602,936
Current liabilities	(458,115)	-	(458,115)	(440,912)
	1,703,607	19,490,538	21,318,408	20,895,911

Analysis of net assets between funds – 31 March 2023	Unrestricted funds £	Restricted funds £	Total Funds 2023 £	Total funds 2022 £
Fixed assets	266,633	19,467,253	19,733,886	19,838,151
Investments in subsidiary	1	-	1	1
Current assets	1,592,936	10,000	1,602,936	1,386,854
Current liabilities	(430,912)	(10,000)	(440,912)	(415,068)
	1,428,658	19,467,253	20,895,911	20,809,938

22 Movement in funds	At 31 March 2023 £	Net movement in funds £	At 31 March 2024 £
Unrestricted funds			
General fund	654,826	61,263	716,089
Designated funds	560,601	339,762	900,363
Freehold property	213,231	(1,813)	211,418
	1,428,658	399,212	1,827,870
Restricted funds			
Triennial	-	125,737	125,737
Freehold properties	4,237,586	(38,139)	4,199,447
Leasehold properties	15,229,667	(64,313)	15,165,354
	19,467,253	23,285	19,490,538
Total funds	20,895,911	422,497	21,318,408

22 Movement in funds (continued)

Net movement in funds, included in the above, are as follows:

	Income	Expenditure	Gain on investments	Transfer	Movement in funds
	£	£	£	£	£
Unrestricted funds					
General fund	2,736,766	(2,242,055)	6,314	(439,762)	61,263
Designated funds	-	(100,000)	-	439,762	339,762
Freehold property	-	(1,813)	-	-	(1,813)
	2,736,766	(2,343,868)	6,314	-	399,212
Restricted funds					
Solar panels	16,651	(16,651)	-	-	-
Triennial	250,000	(124,263)	-	-	125,737
Quarterhouse	25,000	(25,000)	-	-	-
Freehold Property	-	(38,139)	-	-	(38,139)
Leasehold Properties	-	(64,313)	-	-	(64,313)
Arts Programme Festivals & Events	50,000	(50,000)	-	-	-
	341,651	(318,366)	-	-	23,285
Total funds	3,078,417	(2,662,234)	6,314	-	422,497

Details on funds are as follows:

Solar Panels — Money received to install solar panels at the Quarterhouse Performing Arts Centre.

Triennial — Money raised to organise the Triennial festival.

Quarterhouse — The ownership and operation of the Quarterhouse Performing Arts Centre.

Freehold Property — Represents grants received by the Charity for capital projects. These are depreciated over the estimated useful economic life of the asset the grant was used to purchase.

Leasehold Properties — Represents the transfer of leasehold properties from the Roger De Haan Charitable Trust to the Charity.

Arts Programme Festivals & Events — Festival ticket and fundraised income.

Designated funds — The Trustees have designated a total of £652,363 to Triennial 2025. A further £248,000 is designated to the 2028 Triennial.

23 Related party disclosures

The Roger De Haan Charitable Trust (RDHCT), a charity of which Sir Roger De Haan is a Trustee, made a payment of £85,800 (2023: £101,439) to the Folkestone Artworks.

At the year end, the Charity owed £647 (2023: £647) to its subsidiary, The Creative Foundation (Trading) Limited.

Details of trustees' remuneration and benefits can be found in note 13.

24 Net cash flow from operations

	2024 £	2023 £
Net surplus for the year	422,497	85,973
Gain on investments	(6,314)	-
Loss on disposal of heritage assets	53,400	-
Depreciation	111,263	104,265
Investment income	(44,538)	(5,270)
Decrease in debtors	27,537	85,841
Increase in creditors	17,202	25,844
Net cash inflow from operating activities	581,047	296,653

CREATIVE FOLKESTONE

England & Wales - Charity number 1105174

Accounts

Company Registration Number: 04566484
Charity Registration Number: 1105174

CREATIVE FOLKESTONE

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2023

CREATIVE FOLKESTONE

Report of Trustees
For the year ended 31 March 2023

The Trustees, (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Creative Folkestone for the year ended 31 March 2023.

The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". As Creative Folkestone is a company limited by guarantee, the report and statements also comply with the Companies Act 2006.

Pages 1 to 3 comprise the Strategic Report as required by company law, as well as providing the information required by SORP for the Trustees' Annual Report.

Reference and administrative details

Registered company number	04566484 (England and Wales)
Registered charity number	1105174 (England and Wales)
Registered office	Quarterhouse Mill Bay, Folkestone Kent CT20 1BN
Trustees	Sir Roger De Haan (Chair) Cathy Beare Lady Alison De Haan Sir Stephen Deuchar CBE Paul Hudson Andrew Ironside Trevor Minter OBE DL (Resigned 1st August 2023) Judith Nesbitt (Appointed 27th June 2022) The Earl of Radnor Vanessa Stone Alastair Upton
Chief Executive	Alastair Upton
Deputy Chief Executive	Fiona Kingsman
Company Secretary	Angela Ludlow
Auditor	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
Solicitors	Withers LLP 16 Old Bailey, London EC4M 7EG
Bankers	NatWest Bank Folkestone Branch, Europa House 49 Sandgate Road Folkestone Kent CT20 1RU
Website	www.creativefolkestone.org.uk

Report of Trustees
For the year ended 31 March 2023

Objectives and activities

Established in 2002, Creative Folkestone is an arts charity dedicated to producing and enabling the very best creative activity to help transform Folkestone and the surrounding area of Kent. Working with the people of Folkestone, our partners and other stakeholders, we aim to make the town a better place to live, work, play, study and visit.

The Charity's objectives, as set out in the governing document, are "The fostering of knowledge and appreciation of art, music and literature; the relief of poverty by assisting individuals who are in need, in particular by assisting artists to become self-supporting through their art; the provision of facilities in the interests of social welfare for the inhabitants of Folkestone and the surrounding district; the promotion of regeneration in areas of social and economic deprivation."

Creative Folkestone believes that everyone is creative, and that creativity has the power to change people and places for the better. With a passion for creativity at its heart, the Charity will enable people's creativity to flourish, enriching the town and those who live in it, or visit it, and transform Folkestone's reputation.

All our Board and staff are committed to enabling the very best work to be created. We always appoint skilled and ambitious curators and programmers who are empathetic to art, artists, place and community. Creativity drives the goals we set ourselves and which continue to guide the organisation:

Goal 1: Creatively engage the people of Folkestone
Goal 2: Creatively transform the look of Folkestone
Goal 3: Creatively change the economy of Folkestone
Goal 4: Change the reputation of Folkestone as a creative town
Goal 5: Create a sustainable Creative Folkestone

A principal focus for the Charity in achieving these goals is the development of the Creative Quarter, in the historic old town area of Folkestone, through a process of property acquisition, refurbishment and letting. The Charity benefits from a collaboration with the Roger De Haan Charitable Trust (RDHCT), which shares many of the Charity's goals. Typically, RDHCT funds the acquisition and refurbishment costs of properties and after the renovation works are complete leases them to the Charity on a long term basis at a peppercorn rent. Creative Folkestone then proceeds to let the refurbished property at affordable rates to artists, education providers and a wide range of creative organisations.

Creative Folkestone has a remarkable record of success having already transformed the most run down part of Folkestone. Around ninety buildings have been restored in the Creative Quarter and the area is populated by artists and creative industries. We use the Quarterhouse, our performance venue that we built in 2008, to stage our annual Folkestone Book Festival and a full programme of music, theatre, dance and comedy. The area has been animated by five internationally acclaimed Folkestone Triennials when we commissioned site specific artworks to be exhibited in the public realm around the town. After each show we kept many of the exhibits and added them to Folkestone Artworks which have then been kept on permanent display. As our collection has grown, so has Folkestone's reputation as a unique destination for those who enjoy contemporary art. In 2021 we took on the stewardship of Prospect Cottage, Derek Jarman's former home in Dungeness, along with a commitment to open its doors to the public through visits and a residency programme.

The Charity continues to work with a range of public and private sector organisations on a number of strategically important initiatives which are helping us to have a profound regenerative impact on the community.

The creative transformation of Folkestone is being achieved through a number of core projects developed and managed by Creative Folkestone: the Creative Quarter, Quarterhouse, Folkestone Book Festival, Folkestone Triennial, Folkestone Artworks and Prospect Cottage; all these initiatives are underpinned by our Learning and Engagement programme.

Public benefit

The Charity's Trustees have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance (PB1, PB2 and PB3) published by the Charity Commission. They are aware of the public benefit requirement, its implications for charities and their duty to report how they have carried out the Charity's purposes for the public benefit and take the public benefit guidance into account when making decisions.

The Charity's particular public benefit activities are included later in this report under Achievements and Performance. Our activities, and particularly our Learning and Engagement work and co-produced festivals, are deeply embedding Creative Folkestone in the local community. Folkestone Triennial, and many other activities, are free of charge to the public.

The Charity continues to contribute to the overall social and economic regeneration of deprived areas in Folkestone through the advancement of the arts, culture, heritage, learning and the establishment of a community of over 600 creative individuals and businesses.

Structure, governance and management

The Charity is a company limited by guarantee with no share capital, and a registered charity. The Charity's memorandum and articles of association are the primary governing documents of the Charity.

Creative Folkestone has a supportive Board of highly skilled and committed Trustees. The Trustees during the year were those set out on page 1. Trustees are also members of the Charity. The Trustees have complied with the duties described under the Charities Act 2011, and with proper regard to the guidance published by the Charity Commission.

The Creative Folkestone Board provides the statutory governance and also governance over artistic vision and quality. The Board is supported by four Sub Committees that oversee Management, Visual Arts, Performing Arts and Learning and Engagement and Creative Quarter Regeneration, and report back their recommendations to the main Board.

We actively advertise for new members of sub-committees of the Board and applicants are interviewed by the CEO and another trustee. They are invited to join the sub committees and if appropriate can move on to the main board. Our induction process includes Trustees being given a copy of our constitution, audited accounts and copies of trustee meeting minutes, together with the Charity Commission's guidelines for charity trustees. The new Trustee is also given a detailed tour of the Creative Quarter and an introduction to all the projects being undertaken by the Charity.

Although there is no formal training policy in place, the Trustees are encouraged to participate in training programmes either through their principal employer or through participation in ad hoc training courses.

Key management personnel and pay policy

The Charity considers its key management personnel to be its Board of Trustees, the Chief Executive and the Deputy Chief Executive. The remuneration is normally set annually in accordance with the pay policy, with any changes taking effect from the 1st April each year. The Chief Executive and the Deputy Chief Executive are the only paid key management personnel. The pay policy for the Chief Executive and the Deputy Chief Executive is the same as for other staff.

This Strategic Report was approved by the Board of Trustees on 25th Sept '23 and signed on their behalf by:

Sir Roger M De Haan – Chair of Trustees

Achievements and performance

Creative Folkestone overview

This year marks twenty years since Creative Folkestone was founded by our Chairman, Sir Roger De Haan. It is also the beginning of a new five-year business plan for Creative Folkestone covering the period from 2022 through to 2027. The overarching objective for the business plan is to ensure that the transformation of Folkestone, through the Charity's creative placemaking, is beneficial for the whole community. This was captured in the restated mission statement – Creative Folkestone will make Folkestone a better place to live, work, study, play and visit for ALL. In the plan we commit to connecting up all we have achieved to capitalise on, and fulfil, our leadership role as the UK's leading placemaking arts project.

These objectives aligned well with the Arts Council's 10-year plan 'Let's Create' and so made a good basis for a bid, made early in the year, for another cycle of NPO funding. In the autumn of the year, we learnt that we had been successful in our bid, but like most arts organisations in England, only for standstill funding. The next NPO cycle starts in April 2023 and continues for three years.

During the year, the economic environment in which the business plan had been written changed with inflation running high, particularly for utilities. In April 2022 the electricity and gas costs for the whole organisation were approximately £11,600 a month and, by year end, £32,000 a month.

Our response was to cut costs, including three staff positions, to lower our use of these utilities and to conduct a rent review while supporting tenants who were also struggling with cost increases. In addition, the decision was made to change the Quarterhouse programme towards music, late nights, and comedy (from March 2023) and away from theatre, family programmes and contemporary dance.

Whilst these overarching events were taking place, Creative Folkestone delivered on its artistic agenda throughout the calendar year. Folkestone Artworks were enjoyed by an estimated 2.4 million visitors to the town along with its 56,000 residents. Despite the year starting as Covid restrictions on access to public buildings were lifted, a full programme of theatre, dance, music, family events, comedy and film was set, and audiences were coaxed back to Quarterhouse. 9,538 people attended 106 events in the year and the building was used for artist development sessions, the young people's programme and community activities.

The Creative Quarter property portfolio now consists of 76 residential, 52 business and 126 studio and office spaces. Occupancy was at 90% at year end. Creative Quarter returned, over the summer, to a bustling place frequented by visitors seeking creativity and inspiration. Interest in new Creative Quarter tenancies remained strong throughout the last year with consistently high levels of applications, particularly for retail spaces, residential premises and mid-priced studio/office space, indicating a continuation of the recovery of the creative sector.

Open Quarter returned in July when we invited Folkestone residents and visitors to explore and celebrate the Creative Quarter and its vibrant creative community. We estimated that the event was attended by more than 1,500 people.

One of the highlights of Creative Folkestone's year was the opening of Prospect Cottage (Derek Jarman's former home in Dungeness) to the public and the launch of the artists' residency programme. This followed the completion of critical conservation work in the house and garden. The cottage opened for public visits in July with residencies starting in August. The public programme welcomed 1,440 visitors between July 2022 and March 2023 and nine residents stayed at the cottage as well as 25 R&D visits.
Planning for the sixth edition of Folkestone Triennial started in 2022 with the announcement of a new curator, Sorcha Carey in October.

Creative Folkestone marked its 20th anniversary in October with a newly commissioned project, brought together by Randolph Matthews, Folkestone's musician in residence. Titled Tune-In Folkestone, the project engaged the community to find the town's sound.

Creative Folkestone Book Festival, curated for the third and final time by Sean Doran and Liam Browne, returned to its traditional November dates after having been moved to the summer the previous year, due to Covid. Titled The Shape of Things to Come, the future was once again the driving force of the festival which welcomed audiences of 4,207 including 1,277 free tickets for school children.

The Learning and Engagement Programme delivered 399 different activities attended by 5,561 participants. The activities included sessions specifically designed for a range of different target groups – including school children, families, young people affected by autism, members of the Roma community and refugees from the Napier Barracks.

Media coverage of Folkestone in which Creative Folkestone featured was seen throughout the year and included Lonely Planet naming Kent's Heritage Coast as amongst the top four places to visit in the world, The Sunday Times named Folkestone as one of the best places to live in Britain and the Guardian covered the new residencies at Prospect Cottage.

The EU Interreg North Sea programme, CUPIDO, came to an end in October 2022. The last six months of the project focussed on wrapping up ongoing activities and ensuring that all aims and objectives were met.

Work continued successfully with the Hi3 Network; a project funded by European Regional Development Fund (ERDF) and led by London South Bank University in partnership with Canterbury Christ Church University, Creative Folkestone, Maidstone Studios and Screen South.

The Board of Trustees would like to express their appreciation for the continued generosity of its benefactors in terms of both committed funding and in-kind assistance with the work of the charity, including Art Council England (ACE), Kent County Council (KCC), Folkestone and Hythe District Council (FHDC), Canterbury Christ Church University, CUPIDO and the EU Interreg North Sea Programme, Hi3 Network, NewsNow and Eurotunnel.

The Board of Trustees would like to convey special thanks to the Trustees of RDHCT for their continued support for the work of Creative Folkestone.

The Board of Trustees would also like to express their appreciation for the dedication and hard work of both the Charity's staff and its committee members who are not Trustees. Their continued flexibility and willingness to adapt to changing conditions, due to the Covid-19 and the energy crisis, have made it possible to deliver an ambitious and challenging arts and performance programme and to allow the Creative Quarter to recover from the unprecedented ramifications of the lockdowns.

Creative Quarter

The Creative Quarter is an urban village of designers, filmmakers, musicians, web developers and artists located in the old town of Folkestone. It is made up of over ninety restored buildings spanning residential flats, studios, offices, warehouses and shops. The area is populated by a community of over five hundred artists and creatives and is home to many businesses and individuals who have created hundreds of jobs that have helped rejuvenate the local economy. Our portfolio consists of 76 residential, 52 business and 126 studio and office spaces. The properties are leased to Creative Folkestone on a 125-year term. 800 people live and work here daily.

Occupancy levels in the Creative Quarter and digital:glassworks, on average, remained at more than 90%.

One of the largest and most visible spaces in the Creative Quarter – the new ground floor units at the "Red Fin" building on Tontine Street – are now occupied. The tenant opened a gallery, retail and exhibition space which has seen many Creative Quarter tenants contribute artworks for display and sale.

At the beginning of last year, a review of online property advertising has been carried out and available units are now updated on the Creative Folkestone website as soon as availability arises. This has been particularly successful for residential properties, enabling a swift turnaround of these units.

As the cost-of-living crisis continues we have assessed our income and liabilities, in particular the utility costs, which have been steadily on the increase with electricity costs reaching their peak at the beginning of September 2022 amounting to £12,000 for a month's usage for Quarterhouse alone.

Plans were drawn up to focus on mitigating costs as much as possible while considering, in parallel, measures to increase the yield of rental property in the portfolio.

A rent review was undertaken - and is ongoing - for residential properties followed by studios, offices, and retail spaces.

In late November, digital:glassworks hosted the Creative Quarter Christmas Market, an event intended to give tenants and other local businesses the opportunity to display and sell their products. Following its success, a regular monthly market started on the last Saturday of each month. So far, The Creative Quarter Art Market has been a great success and food, drink and live music have been the latest additions to the growing number of market stalls.

For the first time since the outbreak of the COVID-19 pandemic, a Creative Quarter Community Carol Concert took place again in December, at the church of St Mary and St Eanswythe.

We continued to be part of the Hi3 Network; a project launched in 2020 and co-funded by the European Union with a focus on the development of moving-image, screen-based and creative technologies through innovative research and development. The aim is to establish a network of industry specialists, researchers and businesses that will bring new opportunities and resources to SME's at digital hubs in Folkestone, Canterbury and Maidstone.

The Folkestone hub is based in digital:glassworks and Hi3 Network funding supported office and studio costs for one of our partners, Screen South; a cultural development organisation with digital creativity at its heart. Last year saw the official launch of the hub and our work focussed on raising awareness for the Hi3 Network and Screen South's programme through social media, internal, and professional network communications.

In addition, Creative Folkestone has continued to raise awareness for the project through targeted communication to local SME's and professionals as well as creatives and artists using our existing networks. This included promoting the Hi3 Network to Creative Quarter tenants, posting information in Facebook groups and contacting organisations such as the local Chamber of Commerce. We have adapted our approach to focus on participants of the programme to showcase the work that has been created. This has performed well across our channels.

As a direct result of our involvement in the Hi3 Network, we broadened our database of service providers. In particular, we built relationships with several new photographers, filmmakers and other creatives and worked with Manuel Vason to capture events using 360 camera technology.

In addition, we worked with the wider Hi3 Network team to develop the website offering and started to explore the potential of a legacy project.

The EU Interreg North Sea programme, CUPIDO, came to an end in October 2022. The project started in 2018 and brought together 16 partners from seven countries to share their knowledge, expertise and resources for promoting the digitalisation of the cultural sector and the establishment of CreaTech industries.

Funding included a contribution to the costs for the establishment of our digital:glassworks hub and the integration of digital components into the Book Festival and the Triennial programme. Due to the Covid pandemic, the project was granted a second six-month extension, pushing the anticipated end date back to September 2022.

The last six months of the project focussed on wrapping up ongoing activities and ensuring that all aims and objectives were met. In June 2022, the final conference took place in Inverness, Scotland, with each partner presenting on the impact the funding had for their region. The consensus among the partners was that CUPIDO activities strengthened local economies and competitiveness and created job opportunities in all rural communities involved.

Open Quarter returned in July with Connecting Creatives, an evening of micro-presentations from creatives across the Creative Quarter to showcase their practice and businesses. About 120 residents and other business representatives used the event as an opportunity to network with fellow creatives and catch-up on their latest digital technology, experiences and skills.

35 artists in the Creative Quarter opened their studios and workshops for visitors to take a look behind the scenes, meet local creatives or just find some inspiration.

A new part of Open Quarter was Park Fest, a music festival curated by six young people from Kent aged between 19 and 25, named the Quarter Collective. Funded through the Kent County Council's Reconnect Presents programme, the young curators led on the production, management and delivery of the festival. They were supported by Creative Folkestone staff and Metaxu Collective; a local organisation specialising in pioneering new musical talent. The festival included an afternoon that harnessed the voices of young people with a programme that was a mix of musical styles with a range of activities including skateboarding and art workshops, utilising the skills and support of creative organisations locally.

Sixth Edition of Creative Folkestone Triennial

We were delighted to announce the appointment of the new Triennial Curator, Sorcha Carey, in autumn 2022. Sorcha has been the director of the Edinburgh Art Festival for 10 years and is currently leading Collective, Edinburgh's contemporary art centre.

By the end of March 2023, Sorcha and the Triennial project team had welcomed eight potential artists to visit Folkestone to carry out research before submitting their proposals for artworks.

Following a successful bid to provide creative services for Folkestone and Hythe District Council's Levelling Up project Folkestone - A Brighter Future, Creative Folkestone will deliver, if timings allow a number of artworks in the town which will be included in the next Triennial if timings align.

The Levelling Up project is an incredible win for Folkestone and brings a valuable opportunity to connect seamlessly the harbour, seafront, Creative Quarter and Old High Street with the town centre.

Creative Folkestone will provide artistic guidance on public infrastructure works as part of Folkestone – A Brighter Future and will curate, commission and oversee the delivery of several art installations/ interventions to help make the town centre a desired place to live, work, visit and play whilst supporting economic growth.

We will continue to deepen our partnerships with organisations such as the Islamic Cultural Centre, KRAN, The Edge School of Creative Business and the Friends of Napier Barracks.

Folkestone Artworks

Folkestone Artworks is the largest urban outdoor exhibition of contemporary art in the UK, currently consisting of 94 artworks from 54 artists at 90 sites. The exhibition has grown over the years with new work added after each Triennial.

Part of the exhibition is owned by Creative Folkestone, however much of it is owned by the Roger De Haan Charitable Trust. Other exhibits are loaned by the artist. The Roger De Haan Charitable Trust pays for the exhibition's maintenance, its insurance and contributes to the costs of its custodian.

After Folkestone Triennial 2021 we worked with Kent County Council and Folkestone and Hythe District Council to successfully apply for planning and landowner's permissions to keep 13 artworks from Folkestone Triennial 2021. The exhibition continues to be maintained to a high standard and repairs this year were carried out on more than 10 artworks, including Nathan Coley's 'Heaven Is a Place Where Nothing Ever Happens' (2008) and Bill Woodrow's 'The Ledge' (2017).

Jyll Bradley's 'Green/Light (for M.R)' (2014), situated on the disused gasworks site, was deinstalled in February 2023 as Folkestone and Hythe District Council were to soon start work on the site. The departure of the artwork was marked with a party featuring music, a dance performance, and words from the artist.

The exhibition continued to be enjoyed by visitors, students, and our local community and we continued to offer tours, walks to, and talks about the artworks.

Quarterhouse

Quarterhouse is our bespoke, fully accessible performance space where people enjoy, each year, a diverse programme of music, theatre, comedy, talks, discussions, dance, festivals, and community gatherings. It is the leading regional arts centre for three rural and coastal districts with a population of over 300,000, attracting people from all backgrounds and protected characteristic groups to its diverse and democratic programme. The programme offers at affordable prices something for everyone in our community.

In 2022/23, the Quarterhouse Performance Programme staged 96 performances, attracting a total of 8,996 people.

Family Shows

The children's theatre bounced back in April and May with four shows for younger children. November and December saw three more family theatre companies taking to the Quarterhouse stage including the internationally acclaimed puppet and object theatre duo Indefinite Articles presenting 14 shows of their version of the classic Aladdin tale, The Magic Lamp. One of the highlights of the year was Slime, produced by The Herd Theatre, with a relaxed performance for small children.

Animals, produced by Dens & Signals, which had been developed by Creative Folkestone as part of the SALT Festival 2018 returned in May 2022 which was aimed at children aged 7+.

At the beginning of December, Toucan Theatre invited young people with profound and multiple learning disabilities to one of their 10 performances, to join them in their magical den to teach The Naughty Fox an important lesson that it is better to share.

Mrs H & The Sing-Along Band brought their unique family music back to Folkestone with 10 shows over the year. The production was aimed at very young children up to the age of 5 years of age and was welcomed by an enthusiastic audience.

Theatre and Dance

In May we hosted mapdance, University of Chichester's graduate dance company, who performed three newly commissioned dance pieces and one reproduction, designed by emerging and established contemporary choreographers.
In September, Seeta Patel Dance used the Quarterhouse auditorium as part of the Open Sesame artists development programme, to film their current project The Rite of Spring. The dancers and film crew were in residence for four days and were supported by our specialist production team.

During October hip hop group Illegal Dance, led by renowned choreographer Toni Adigun with his Avant Garde Dance Company, performed in the auditorium. A & E Comedy also returned in October with their surreal and darkly hilarious fairy tale Witch Hunt in which they explored the possibility of witchcraft taking down the patriarchy.

In November, the Rhiannon Faith Company presented their socially conscious piece Drowntown in which strangers to a coastal area explored their struggle with isolation, shame and a failed support system.

Music
Three live music events took place during April and May 2022 at Quarterhouse presented by the independent Brighton based music promotions company Melting Vinyl. The highlight was a concert by Canadian American singer-songwriter and actress Martha Wainwright who introduced songs from her latest album 'Love will be Reborn'.

As part of the SALT & EARTH Festival, The Longest Johns brought to the stage a live performance of legendary folk songs and sea shanties with themes highlighting the land and the sea.

In October, the Sacconi Quartet invited audiences to a classical concert titled Beethoven in the Dark produced in collaboration with theatre and opera director Tom Morris and lighting designer Mike Gunning. The event was a further development of the series of the musical pieces performed at their 15th Annual Chamber Music Festival in May (see 'Festivals' for further details).

March 2023 saw the launch of Quarterhouse Lates, regular free nights of dancing that took place in The Clearing on Fridays from 8pm – 1am. The evenings brought in the best local and regional DJs presenting music ranging from jazz, house, funk and soul to disco vibes.

Comedy
The perennially popular comedy programme at Quarterhouse hosted 12 comedians over the year, attracting audiences of 2,492 people.

Quarterhouse welcomed the 'newspaper columnist of the year' Mark Steel in May with his touring show Every Little Thing's Gonna be Alright. This was followed, in June, by an acerbic stand-up comedy/music gig by Mike Hall.

September was a bumper month for comedy at Quarterhouse with Simons Evans and Kiri Pritchard-McClean and culminating in a sold out show by Omid Djalili.

The autumn presented award winning comedian, writer and actor Tom Allen, a master of mixing classic camp comedy with contemporary observational humour.

The 2023 shows included a 'furiously funny' reflection by Jen Brister on the impact the Covid pandemic had on her attitude to life and, due to popular demand, two performances by one of the UK's top stand-ups, Chris McCausland, who visited Folkestone as part of his UK wide tour. Both presented in front of a sold-out Quarterhouse auditorium.

Live Screening and Film
In total, seven Royal Opera House (ROH) and eight National Theatre (NT) live screenings were shown throughout the year and were initially attended by a modest number of people (25-30% theatre capacity). Ticket sales picked up for NT live, with a sold-out screening in July of the award-winning solo performance theatre play Prima Facie in which Jodie Comer (Killing Eve) made her West End debut in the UK premiere of Suzie Miller's award-winning play.

The three NT screenings shown in the first three months of 2023 all attracted more people than anticipated as did the popular Olivier Award-winning stage adaptation of The Life of Pi.

The Doc Club continued in 2022/23 with ten films presented throughout the year. Again, audience numbers were initially smaller than expected but then started to increase with the September film Eric Ravilious - Drawn to War. Another highlight was Kathryn Ferguson's documentary Nothing Compares in which she portraits Sinéad O'Connor's phenomenal rise to worldwide fame focusing on the years from 1987 to 1993. This was the last film the Folkestone Documentary Festival team presented in Quarterhouse as the Doc Club will move to Folkestone Silver Screen Cinema in April 2023.

Festivals
The Festivals Fund, funded by The Roger De Haan Charitable Trust and administered by Creative Folkestone, continues to help local producers and curators to develop their own festivals with our support and advice. This year we were delighted to fund 12 local festivals in three rounds of funding. These small, but ambitious, festivals have become a hallmark of the town and contribute enormously to the arts ecology as well as a general sense of well-being and self-determination.

This year's festival fund festivals were; Folkestone Fringe for Profound Sound, Folkestone Pride, Folkestone New Music for Spring Song contemporary music series, Strange Cargo for Charivari, Origins Untold for Black History Month, Church Street Projects for Folkestone Sandcastle competition, Violet Pictures for Folkestone Documentary Festival, CT20 for Prescient Pool, Folkestone Fringe for SALT+EARTH Festival, Jim Jam Arts for Folkestone Living Advent Calendar, Folkestone Women's Forum for Take Up Space Festival, Folkestone Fringe for Profound Sound 2023.

Profound Sound, Folkestone's experimental sound music festival curated by Folkestone Fringe, Hot Salvation and Phantom Limb took place in April and presented a diverse line-up of international, experimental artists.

The Sacconi String Quartet was back performing live at Quarterhouse for four days in May, presenting their 15th Annual Chamber Music Festival titled On the Streets and in the Sky. As part of the festival, the artist Kate Beaugié presented her sound and light installation Beethoven on the Beach Revisited in the huge spaces of The Grand in Folkestone.

SALT & EARTH: Festival of Landscape, Seascape & Environment
From the 23-25 September 2022 the SALT Festival of the Sea & Environment returned in an expanded format curated and produced in partnership with Folkestone Fringe and Kent Downs Area of Outstanding Natural Beauty (AONB) with an estimated audience of 5,000.

The SALT & EARTH Festival presented a weekend of artworks, walks, workshops, community gatherings and other activities. People were invited to explore the environment and the communities around them and reflect on the way they engage with the climate crisis.

The festival brought together 12 pieces of newly commissioned work by local artists responding to Kent Downs AONB's bid to become a UNESCO Geopark linking the chalk uplands of the North Downs with the Parc Naturel Regional des Caps et Marais d'Opale across the Channel, in Northern France.

Commissioned artists included Alison Neighbour, Anne Deeming, Craig Gell, Dr. Legumes, Fiorino & Ferreira, Judith Anketell, Manuel Vason, Origins Untold, Rubiane Maia, Sara Trillo, Aaron Kobb and SITE. Artist commissions were underpinned by research across the geopark area with experts in the field facilitated by Kent Downs AONB. For the first time we collaborated with Shape Arts, a disability led arts organisation with a focus on improving access to culture for disabled people.

As part of the festival weekend, the programme also offered talks from leading geologists, a swim, a sauna, a soundwalk, a locally sourced community meal and the shanty band, The Longest Johns, to maintain the festival feel.

New Queers on the Block (NQOTB)
NQOTB is a space for the development and celebration of LGBTQIA+ artists and communities led by Marlborough Production; a Brighton based company with a focus on the production of LGBTQIA+ artist led projects. The company delivers the projects together with partners all over the UK including Creative Folkestone.

This year the emphasis was on artist development with four selected artists in residence at partner venues – Rowdy SS, Tammy Reynold, Whiskey Chow and Estabrak. The artists were in-residence in Folkestone during the last week in June and showed their work in progress as part of First Fridays in several locations over the Open Quarter weekend at the beginning of July. They received support from Creative Folkestone and Ash McNaughton, a local producer and creative freelancer.

As part of this year's NQOTB programme, we were also invited to nominate and support a local LGBTQIA+ artist. We selected the genderqueer artist Ray Carter from Seabrook who benefitted from access to studio space, mentoring and a grant of £2,000 to be spent on their artistic development.

Folkestone Pride
Folkestone Pride has gone from strength to strength over the past years and this year we provided financial support through our Festivals Fund (funded by RDHCT) in addition to hosting the Folkestone Pride After Party and popular evening show Salty Cabaret with a programme packed with daring drag, experimental vocals, iconic dance routines and wondrous speciality acts.

Fly with me
On 20th August over 100 children and their families responded to an invitation to join Fly with Me to mark the first anniversary of the fall of Kabul to the Taliban. In partnership with Folkestone Fringe, KRAN, Napier Barracks, local artists and Afghan story tellers we joined this national project that brought together Afghan refugees and their host communities to make and fly kites to honour Afghan tradition and culture. In the afternoon the children were joined by kite flyers of all kinds on Folkestone beach to fly their kite creations during a gloriously windy hour.

Folkestone Book Festival

Creative Folkestone hosts the annual Folkestone Book Festival, one of the UK's oldest book festivals, attracting a wide range of diverse speakers and authors and providing a forum for discussion and debate for audiences of all ages and interests.

Curated for the last time by Sean Doran and Liam Browne and generously supported by Principal Sponsor, News Now, Creative Folkestone Book Festival covered an incredible range of topics from politics to Proust, banned books to brain surgery, rest to revolution and everything in between. We were thrilled to welcome a diverse range of speakers and authors including Anil Seth, Deborah Levy, Juno Dawson, Gavin Esler, Astrid Goldsmith, Miriam Margolyes, Hannah Azieb Pool, Richard Ovenden, Will Self, Margaret Busby, Claudia Hammond, Margo Jefferson, Joseph Coelho.

The programme offered 32 in-person and online events attended by an audience of 4,207 which includes 700 people who watched videos published on YouTube.

Through the schools' programme, three award-winning and best-selling authors presented five events for children and young people. A total of 1,277 pupils and teachers from 15 schools engaged in person and digitally for free.

The free schools programme, along with an intergenerational workshop programme, continues to contribute to the literacy of the town.

Learning and Engagement

Our extensive learning and engagement programme returned to pre-Covid levels of activity reaching over 5,500 participants with 339 events. Our programme is for all ages, genders, abilities, backgrounds and ethnicities, working in schools, with FE/ HE students and with families. We delivered our after school and summer school programme NEON for young people between the ages of 4-16 offering more than 240 children of different age groups the opportunity to work on developing stories, creating puppets and props, producing films and sound recordings.

We worked extensively with local community groups and charities including MIND, Surestart, Homestart, Touchbase (a local charity for adults with learning difficulties), KRAN (Kent Refugee Action Network), Age UK and Young Carers.

The Young Animators Club continued and was attended by a total of 150 children aged between eight and 16. Two of the summer workshops were specifically designed for autistic/ASC children and young adults. Ten family workshops took place over the year in the digital:glassworks studio, partly run by local artists and attended by a total of 528 people. Included were ceramic, sound production, photography, film, collage and sculpture making, textile, fabric and paper workshops and a day during which families collectively created a map of Folkestone highlighting their places of happiness and well-being.

The professional graduate dance company mapdance from the University of Chichester took their Quarterhouse performance in May as an opportunity to offer students from Folkestone Academy and The Folkestone School for Girls two workshops to learn more about their repertoire of dance theatre.

In total, 23 in-school workshops attended by 631 children and young people took place during the last year.

Workshops were also offered to community groups including Young Carers, the mental health charity South Kent Mind and, for the first time, two sessions specifically intended for residents of Napier Barracks.

We established a project working with students from The Edge, at Folkestone College, to find different engagement opportunities for them within our programmes and projects. Ten students visited Prospect Cottage in Dungeness as part of our R&D Programme, and a further ten visited various buildings throughout the Creative Quarter and met the people working there. Three students will have an ongoing connection with the development of the Sixth Folkestone Triennial. This connection, with our local further education institution, provides these young people with a greater understanding of the potential creative careers available in their hometown.

In September we offered, for the first time, a class for adults with sessions taking place once a month until March. Participants were able to develop their drawing skills, experiment with monoprinting, drypoint, collagraphy and heat press printing techniques. At the end of the course the work was exhibited in the Creative Quarter at the Fourth Wall gallery space, which raised even more interest for the subsequent course and led to a first sale for one of the artists.

Community Engagement
In addition to using our buildings as the base for our own learning programme, we support artists' development and community creative engagement through partnership working. This includes free use of our spaces for Folkestone's Women's Forum (12 per annum), Folkestone Food Hub (weekly), Folkestone Book Group (monthly), Artists Development (24 per annum), Yo Songsters (weekly), Young Strings (weekly in term time), Folkestone Performing Arts (weekly in term time), Confidance and Confico (weekly in term time), MCDC Dance (monthly), Shepway Youth Group (weekly in term time).

Prospect Cottage

Prospect Cottage, on the Dungeness Estate, was the home of British film director Derek Jarman. He lived there from 1986 until his death in 1994. Jarman turned the cottage into a work of art and cultivated a garden in the surrounding shingle where he grew hardy plants mixed with sculptures made from driftwood and other flotsam.

In 2020, the Art Fund led a campaign that raised over £3,600,000 to purchase Prospect Cottage and create a fund to support it in the future thus saving the Cottage for the nation and allowing it to become a centre for creative activity. Creative Folkestone, as the largest arts organisation in the region with a focus on creative placemaking, has become the custodian of this iconic cottage and gardens. The charity signed a 125 year lease for the cottage with the Art Fund on 2 December 2021 and receives an annual payment to help maintain and manage it.

As custodians of Prospect Cottage we continued to undertake critical conservation work in the cottage and the garden in order to protect, care for and share Jarman's remarkable legacy and maintain the space for public access and use. Last year a number of essential repairs were undertaken This included fitting new CCTV, burglar and fire alarm systems, new medicinal flower beds, electrical and asbestos surveys, fire risk assessments and repairs to the roof, doors and windows. The remaking and installing of the poem, The Sunne Rising by John Donne, on the outside wall of the cottage has also been completed.

The public visits began in July 2022, with residencies following in August. The public visiting programme has been a real success, enjoyed so far by 1,440 visitors and feedback has been overwhelmingly positive.

Creative Folkestone was successful in securing a Project Grant of £30,000 from Arts Council England to pilot a residency programme in 2022/23. This grant, along with a donation of £10,000 from Rockefeller Philanthropy, enabled Creative Folkestone to set up a programme for 12 months.

The residency selection panel is chaired by Tacita Dean with the following members:

Sir Isaac Julien (Artist)
Ali Smith (Author)
James McKay (Jarman's producer)
James Weddup (British Film Institute)
Alastair Upton (Chief Executive, Creative Folkestone)
Ying Tan (Art Fund)

We were inundated with excellent applicants, receiving 470 applications for four one-month long residencies. The panel met and chose nine individuals across a range of disciplines, for some shorter residencies in order to accommodate more candidates. The successful applicants were offered anything between a week and a three week residency. In addition, there were over 80 applicants for shorter R&D residencies. A total of 25 shorter R&D residencies took place.

The R&D residents included two Folkestone Book Festival speakers; Deborah Levy and Juno Dawson. Both authors delivered their incredibly moving and thought provoking pieces to Book Festival audiences.

Diversity

Diversity and equality are embedded in all Creative Folkestone activities that will give everyone in the community, independent of their racial and social background and ability, the chance to have a full cultural and creative life. There is an understanding in our organisation that the more we embrace diversity, the richer the results will be.

Our aim is to represent the diversity of Britain in our creative programme, on our stages and in our exhibitions and to represent the diversity of our community in our team, governance, staff, volunteers, tenants and audiences.

We continue to do this by recognizing under-served communities and taking action to actively develop and grow relationships, reaching out to and involving local communities in our work, working in partnership and through removing barriers and increasing access, opportunity, participation, and involvement.

Environment

Creative Folkestone is committed to reducing its environmental impact year on year with the aims and objectives set out in our Environmental and Sustainability Policy and Plan, drafted initially in 2018 and reviewed annually. Our plan centres around measuring the reduction of energy, water and waste in our performance venue, Quarterhouse. The achievements are measured through the online monitoring system, Green Creative Tools, developed by the charity Julie's Bicycle for the arts and culture sector. In addition, the system was used to calculate the carbon footprint of audiences' travelling to Quarterhouse.

The default setting was developed by the Julie's Bicycle based on average audience travel data in the UK.

The Quarterhouse's overall environmental impact, measured in carbon dioxide equivalent (CO2e), was 104 tonnes, an increase of 7 tonnes from the previous year. Of this, 34 tonnes related to energy use, a reduction of 5 tonnes from 2021/22. Water and sewage were slightly up to 280kg compared to 275kg, waste remained the same at 13 tonnes, and audience travel had increased to 56 tonnes CO2e compared to 44 tonnes the previous year.

The increase in audience travel data, and related environmental impact, reflects the gradual return of the live programme to Quarterhouse. Covid lockdowns and social distancing still had an impact on the programme at the beginning of the year but event and audience numbers returned to pre-Covid levels by September. Therefore, the overall increase (7.2%) is due to increased audience travel (27.3%) with the use of energy reduced by a remarkable 13%.

A new environment policy has been written which confirms our continued commitment to reduce the carbon footprint created by Quarterhouse activities but extends Creative Folkestone's responsibilities, for the first time, to the Creative Quarter with data being collected from our tenants and all of our properties.
Progress has been made towards our environmental targets this year including; installation of four electric vehicle charging points in the Mill Bay car park, the ongoing installation of LED lighting in Quarterhouse, and funding is in place to install solar panels on Quarterhouse roof following the success of an application to the FHDC Green Business Grant.

Press and Media
We continued to utilise the press to demonstrate the appeal of Folkestone as a great place to live, work and play. Several key articles this year have focused on the groundbreaking work of Creative Folkestone and the ways in which the arts-led regeneration model has inspired meaningful change in the town.

Prospect Cottage has continued to draw attention from press and media outlets both nationally and internationally. This includes Time Out's item regarding the vacancy for a Prospect Cottage Custodian.
We have maintained positive working relationships with several local media sources including KM Media Group, Academy FM, BBC Radio Kent, BBC South East and others. These outlets have focused on local items that have promoted positive news stories.

Press highlights 2022/23:

- **The Times**, Fri 24 Mar 2023,
  Why Folkestone, Kent, is one of the best places to live 2023
  by Tim Palmer
  Online subscribers: 539,000
  https://www.thetimes.co.uk/article/folkestone-kent-best-place-to-live-uk-2023-5hjvxzm8s

- **The Guardian**, Sat 19 Nov
  'You might as well be on the moon': the authors taking residence in Derek Jarman's home
  by Laura Barton
  Online monthly readership: 18.4 million
  https://www.theguardian.com/books/2022/nov/19/authors-deborah-levy-juno-dawson-derek-jarman-home

- **Londonist**, Fri 18 Nov,
  Why you should go to... Folkestone
  by Charlotte Maughan Jones
  Online monthly readership: 1.5 million
  https://londonist.com/london/beyond-london/things-to-do-folkestone-kent-day-out

- **National Geographic**, Tue 11 Oct,
  How art and ancient history collide on a hike through Deal, Dover and Folkestone
  by Richard James Taylor
  Online monthly readership: 9.5 million
  https://www.nationalgeographic.co.uk/travel/2022/09/how-art-and-ancient-history-collide-on-a-hike-through-deal-dover-and-folkestone

- **Suitcase Magazine**, Tue 6 Sep
  Eight Artists' Havens You Can Visit
  by Gilly Hopper
  Online monthly readership: 77,000
  https://suitcasemag.com/articles/artists-havens

- **The Sunday Times**, Sun 19 Jun,
  The best up-and-coming areas to invest in the UK for 2022
  by Tim Palmer
  Online subscribers: 539,000
  https://www.thetimes.co.uk/article/the-best-up-and-coming-areas-to-invest-in-the-uk-for-2022-ngktbbszd

- **Time Out**, Tue 3 May,
  Jarman's magical Kent cottage needs a new guardian
  by Sophie Dickinson
  Online monthly readership: 7.4 million
  https://www.timeout.com/news/fancy-a-change-of-scene-derek-jarmans-magical-kent-cottage-needs-a-new-guardian-050322

Future Plans

In March 2023, Creative Folkestone will start a new round of Arts Council NPO funding. As an NPO, Creative Folkestone is committed to the outcomes in Let's Create which are Creative People, Cultural Communities, and a Creative and Cultural Country. We are committed to embedding the ACE investment principles of Inclusivity and Relevance, Environmental Responsibility, Dynamism, and Ambition and Quality into everything that we do.

Our tenants in the Creative Quarter continue to need our support and advice to help them build on the strength and resilience they continue to demonstrate in the face of extremely adverse conditions arising from a post pandemic world and compounded by the rise in utility bills and the cost of living.

The Creative Quarter Team will continue to strive towards maintaining full occupancy levels with a focus on filling the remaining empty premises in digital:glassworks. The Creative Quarter continues to grow and develop with the recruitment of new tenants from an increasingly high-quality pool of applicants.

The Creative Quarter is not just a physical area but a very significant Folkestone community that having been founded by Creative Folkestone needs nurturing. One part of our support will be the annual Open Quarter festival and other opportunities to help the tenants will be sought throughout the year. Maintenance standards will be kept high, with quick response times to issues. Any major, proactive investments will be aimed at green initiatives.

Our work to lower utility costs through reduced use will continue. Solar panels will be installed with the support of the Folkestone and Hythe District Council Green Fund. At the same time, additional funds will be sought to invest in more efficient systems. The priority in the year will be around energy efficiency and production.

The Artworks are an extremely important part of the Folkestone townscape for residents and are enjoyed by a high proportion of the town's million plus annual visitors. The Seagull will be deployed, at the start of the season, to provide a focal point for visitors to gain information about the Artworks. With the number of artworks in the exhibition growing, we will also deploy a digital approach to delivering visitor information and a map.

As a partner of the European funded network project Hi3 we will continue to disseminate to local film and video creatives information about training, skills enhancement and networking opportunities delivered by our partner Screen South.

With plans for the sixth edition of Folkestone Triennial firmly underway and with our new curator, Sorcha Carey bringing a fresh perspective and energy, the project team's work in 2023/24 will be key to the success of the exhibition.

Our work in delivering creative services to Folkestone's Levelling Up project represents art making change on a scale we have not done before and nor, do we feel, have other people. The commission for artistic input is essential to bring the community together, to increase civic pride and to attract national attention for the important structural changes that will be made. The commissions will give us the opportunity to go into areas of Folkestone where we have not placed work previously, enabling us to broaden our reach.

The visits of potential artists for the 2024 Triennial will continue during the year. By the end of the year there will a full roster of artists with commissions under development (the dates and theme will have been set), published and a full visitor plan in place ready to welcome the audience.

The Performing Arts programme will see an acceleration providing more late-night dance and music events tested in 2022/23. This gives the opportunity to produce events for a younger adult audience, a demographic currently underserved by our work and needed in Folkestone. The programme of music, comedy and streaming (National Theatre and Royal Opera House) will continue to serve audiences with a wide age range of creative offering.

Our Learning and Engagement Programme will continue to consolidate relationships with schools across Folkestone, Hythe & Romney Marsh and to develop our family offer through an increasingly diverse range of open access workshops, including the regular Neon after-school series and Young Animators Club. There will be an adult learning offer which will be delivered throughout the year. Work in Progress and Block 67 will be concentrated on our learning and community programme, while work with specific adult groups such as Mind will continue.

There will be an extensive range of creative community activities supported by Creative Folkestone in Quarterhouse and Glassworks including Folkestone Performing Arts Group, Improvgym, Confidance and Confico (dance for people with learning disabilities).

The Festivals Fund will continue to offer opportunities to local curators to develop their own festivals with the support of the Performing Arts team. Strange Cargo, Folkestone Pride, First Timers Festival Music, Fable Fest, Sacconi, Jim Jam Arts and Church Street were all successful in their bids and will deliver their festivals in the coming year.

Our Book Festival will be programmed by two local curators, Jennifer Thatcher and James Harkin, supported by an editorial group from Folkestone. This hyper-local approach will support our artist development work and helpdeepen community engagement which should see the continued return of audiences to Quarterhouse in November. The festival will be created by the town for their community. It will be hyper-local in construction, looking at global issues through local concerns and interests.

We will continue to offer public visits. The residency programme will continue into a second year. R&D residents from the local area, including pupils from The Edge college, will continue to be given access to the cottage to gain inspiration. Relationships will continue to be strengthened with partner organisations and the local community, and the cottage will continue to be used as a resource for the Book Festival and our Learning and Engagement Programme.

Creative Folkestone will build on last year's achievements and deliver a full programme of activities to help us achieve our vision to make Folkestone a better place to live, work, play and visit through creativity and regeneration for all.

Financial review

The financial position of the Charity is as set out in the financial statements for the year. During the financial year ended 31 March 2023, the Charity achieved a surplus of £85,973 (2022: surplus, £1,018,685, of which £1,647,500 relates to the value of property donated by the Roger De Haan Charitable Trust (RDHCT)).

The Charity has faced considerable challenges as a result of high levels of inflation with restrictions placed on its charitable activities, staff movement and tenants' premises. In response, the Charity reduced its costs wherever possible adapting its operations and providing support to its staff and tenants. Helpfully, the Charity had been taking steps to build up its cash reserves which improved its resilience during recent months.

The Charity held long leasehold properties at 31 March 2023 with a balance sheet value of £14.6 million These properties are owned by the Roger De Haan Charitable Trust and leased to Creative Folkestone at a peppercorn rent for 125 years. These properties provide a rental income for the Charity which it uses to satisfy its charitable objectives.

However, these properties may only be rented for creative and educational purposes, and the capital value may never be realised by the Charity.

The high level of restricted funds shown in the balance sheet as at 31 March 2023 relates principally to the Charity's properties in the Creative Quarter rather than available cash resources.

The organisation is managed in a qualitative way. It has an agreed set of delivery objectives with the Arts Council and therefore focuses its performance to ensure the achievement of these outcomes. In addition, it has in place a limited number of high level financial KPI's and ensures through its reporting and governance structures that these objectives are scrutinised.

Reserves policy

Since the establishment in 2002 of Creative Folkestone, the Charity had been in the development phase of addressing its charitable objectives. During this period, the Charity had not sought to build its reserves, aside from those represented as property assets.

More recently the Charity has sought to build a cash reserve in addition to its property assets. It aims to maintain positive cash reserves over the next 10-year period. A risk-based assessment of need has set a target range of between £250,000 and £400,000 for its free reserves. The figure has a ceiling raised temporarily in anticipation of a difficult economic environment. Current non-designated reserves are £600,000 and given current uncertainty considered to be acceptable.

The reserves are set out in Note 21 to the financial statements. Restricted funds are subject to specific terms and conditions declared by the donor(s) and are only used for the purposes for which they are given.

Designated funds

In preparation for the Folkestone Triennial the Board will seek to designate reserves to future Triennials in the years between exhibitions. The cost of a Triennial is circa £2,100,000.

The Trustees have designated a total of £561,000 to Triennial 2025.

Investment policy

During the year the Charity held funds on cash deposit. Following the year end the trustees are exploring investment in UK Government bonds.

Principal risks and uncertainties

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Regular formal trustee and management meetings are held to review progress towards achieving the Charity's objectives and to promote strategic direction within the operation. The Senior Management Team regularly addresses the full risk schedule identified by the Trustees and puts in place procedures and controls so as to ensure those risks are adequately managed. The principal risks are a) economic downturn and Covid related uncertainty, b) loss of key Board members and staff and c) failure to hit earned income and fundraising targets. The mitigating actions are identified in the business plan, including ensuring necessary reserves, good property management, succession planning and investment in the fundraising team.

Equal opportunities and diversity policy

The Trustees recognise that ensuring equal opportunities for all is an integral part of good practice within the workplace and Creative Folkestone remains committed to its comprehensive Equality and Diversity Policy.

The Charity ensures that the buildings it occupies comply fully with the statutory regulations in place in relation to disabled access.

Auditor

In accordance with the charitable company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as audit will be put at a General Meeting.

Strategic report

The matters which the Trustees deem to be of strategic importance have been included within the Report of Trustees on pages 1 to 3 in accordance with section 414c(11) of the Companies Act 2006.

This Report was approved by the Board of Trustees on 25th September 2023. and signed on their behalf, by:

Sir Roger M De Haan – Chair of Trustees

CREATIVE FOLKESTONE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Creative Folkestone for the purposes of company law) are responsible for preparing the Strategic Report, Report of the Trustees 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 those financial statements, the Trustees are required to:

a. select suitable accounting policies and then apply them consistently;

b. observe the methods and principles in the Charities SORP;

c. make judgements and accounting estimates that are reasonable and prudent;

d. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and;

e. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE FOLKESTONE

Opinion on financial statements

We have audited the financial statements of Creative Folkestone (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of Trustees, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Report of Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Report of Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011 and the charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of Trustees and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and tenancy laws. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations.

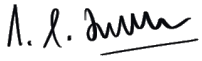
The audit engagement team identified the risk of management override of controls and as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgements and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE FOLKESTONE

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Sladden (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP
Statutory Auditor, Chartered Accountants
25 Farringdon Street
London, EC4A 4AB

02/10/23

CREATIVE FOLKESTONE

Statement of Financial Activities (Including Income and Expenditure Account)

For the year ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Income from:					
Donations and legacies	**3**	6,481	34,000	40,481	1,724,665
Charitable activities	**4**	2,603,745	25,000	2,628,745	3,141,017
Other trading activities	**5**	118,918	-	118,918	66,381
Investments	**6**	5,270	-	5,270	618
Total income		2,734,414	59,000	2,793,414	4,932,681
Expenditure on:					
Charitable activities	**7**	2,500,970	161,452	2,662,422	3,882,153
Other trading activities	**10**	45,019	-	45,019	31,843
Total expenditure		2,545,989	161,452	2,707,441	3,913,996
Net income/(expenditure)		188,425	(102,452)	85,973	1,018,685
Transfers between funds		(10,877)	10,877	-	-
Net movement in funds		177,548	(91,575)	85,973	1,018,685
Total funds at 1 April		1,251,110	19,558,828	20,809,938	19,791,253
Total funds at 31 March		1,428,658	19,467,253	20,895,911	20,809,938

CREATIVE FOLKESTONE

Balance Sheet

At 31 March 2023

Company Registration Number: 04566484

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	14	19,680,486	19,784,751
Heritage assets	15	53,400	53,400
Investments	16	1	1
		19,733,887	19,838,152
Current assets			
Debtors	17	204,545	290,386
Cash at bank and in hand		1,398,391	1,096,468
		1,602,936	1,386,854
Creditors: amounts falling due within one year	18	(440,912)	(415,068)
Net current assets		1,162,024	971,786
Net assets		20,895,911	20,809,938
Funds			
Unrestricted funds	21	1,428,658	1,251,110
Restricted funds	21	19,467,253	19,558,828
Total funds		20,895,911	20,809,938

The financial statements on pages 24 to 40 were approved by the board and authorised for issue on 25th Sept 2023 and signed on its behalf by:

Sir Roger M De Haan – Chair of Trustees

CREATIVE FOLKESTONE

Statement of Cash Flows

For the year ended 31 March 2023

	Notes	2023 £	2022 £
Cash inflow/(outflow) from operating activities:			
Net cash generated from/(used in) operating activities	**23**	296,653	(429,199)
Interest received		5,270	618
Net increase/(decrease) in cash and cash equivalents		301,923	(428,581)
Cash and cash equivalents 1 April		1,096,468	1,525,049
Cash and cash equivalents 31 March		1,398,391	1,096,468
Relating to:			
Cash at bank and in hand		1,398,391	1,096,468

1 Accounting policies

Legal status
The Charity is a company limited by guarantee. The members of the company are the Trustees. 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 Charity's objectives and aims are disclosed in the Report of Trustees.

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention, modified to include certain fixed assets at fair value. The financial statements have also been prepared in accordance with the accounting policies set out in more detail below, to comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019 (the FRS 102 Charities SORP 2019).

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

The Charity constitutes a public benefit entity as defined by FRS 102.

Going concern
The Trustees confirm that at the time of approving the financial statements, there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for at least 12 months from signing these financial statements. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, and the Charity's reserves position. The Trustees have reviewed in detail the Charity's position and the appropriate basis on which to prepare the financial statements.

The stress testing of the Charity's financial position has satisfied the Trustees that it has adequate reserves and mitigation strategies available to deal with issues as they unfold. The cash position is strong, the Charity has no debt, the rental income has so far held up well. Funding from the Arts Council has been secured for the next three years. The Trustees recognise that 2023/2024 will be another challenging year and have structured the budget accordingly while assessing what further actions can be taken if needs be and they have concluded that it remains appropriate to prepare the financial statements of the Charity on the going concern basis.

Consolidation
The financial statements present information about the Charity as an individual undertaking and not about its group. The Charity has taken advantage of section 402 of the Companies Act 2006 not to prepare consolidated financial statements as the directors consider that the Charity's subsidiary may be excluded from consolidation as it is immaterial for the purpose of a true and fair view.

Change in accounting estimate
During the year, the Charity changed its policy to depreciate its freehold property from 50 years on a straight line basis to 150 years on a straight line basis. The impact on the financial statements will be that depreciation on the freehold property of the Charity will decrease from approximately £120,000 annually to approximately £40,000 annually.

Income
Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the items(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

1 Accounting policies (continued)

Donated facilities and gifts in kind are included at the value to the Charity where this can be quantified, and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Income from government and other grants, whether 'capital' grants relating to tangible fixed assets 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.

Expenditure
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Governance costs include those costs incurred in the governance of the Charity and are primarily associated with constitutional and statutory requirements.

Support costs represent finance, administration and other indirect central costs. The support costs have been allocated in proportion to the direct costs incurred in respect of each activity.

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 Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Heritage assets
Metropole:
This comprises artworks that were collected through the Metropole Arts Centre that are owned by the Charity. This artwork is recognised as a heritage asset for the purposes of these financial statements, in accordance with the Charities SORP Section 18, since it is held and maintained principally for its contribution to knowledge and culture. The Trustees valued this artwork at £53,400 based upon valuations for various parts of the collection. The Trustees do not believe that the value of the artwork has changed.

Art Buff:
The Charity owns the Banksy artwork known as "Art Buff". This artwork is recognised as a heritage asset for the purposes of these financial statements, in accordance with the Charities SORP Section 18, since it is held and maintained principally for its contribution to knowledge and culture. It is included at zero net book value since information on its value is not available and a reliable estimate cannot be made of the asset's fair value. Furthermore, it is considered that the asset has no monetary value to the Charity, because the Charity considers that it would not be appropriate to sell the asset.

Taxation
Creative Folkestone is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

1 Accounting policies (continued)

Tangible fixed assets
Tangible fixed assets are stated at cost less depreciation and impairment losses**.** Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	150 years straight line
Long leasehold and leasehold improvements	250 years straight line
Plant and machinery	15 – 33% on cost straight line
Computer equipment	33% on cost straight line
Fixtures and fittings	15% on cost straight line

A full year of depreciation is charged in the year of purchase and no depreciation is charged in the year of disposal.

At each reporting end date, the Trustees review the carrying amounts of its freehold and leasehold assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

During the year, the Trustees of the Charity received written confirmation that the lessor of the long leasehold properties intends, in the future, to extend the leases in order to enable Creative Folkestone to continue to occupy the properties in furtherance of its charitable purposes. Based on this, the Trustees of the Charity now consider that the useful economic life of these assets is 250 years (previously 125 years).

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, with original maturities of three months or less, and bank overdrafts.

Financial instruments
The charitable company applies the provisions of Section 11 ‘Basic Financial Instruments’ of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument and are offset only when the charitable company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets, including trade and other receivables (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at transaction price and subsequently measured at amortised cost, being the transaction price less amounts settled and any impairment losses.

Basic financial liabilities, including trade and other payables are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company’s pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

1 Accounting policies (continued)

Agency Arrangements
The Charity acts as an agent in the administering of the Great Place Scheme Pioneering Places: East Kent Fund for the National Lottery Heritage Fund. Related payments received from the National Lottery Heritage Fund and subsequent disbursements to other partners within the scheme are excluded from the statement of financial activities to the extent that the Charity does not have a beneficial interest in the individual transactions.

This scheme ended in November 2021 and no further arrangements have been generated.

2 Accounting estimates and areas of judgement

In application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Heritage assets
The carrying value of the heritage assets, as valued by the Trustees, is considered to be a key area of estimation.

3 Donations and legacies

	2023 £	2022 £
Restricted		
Roger De Haan Charitable Trust:		
Transfer of leasehold properties	-	1,647,500
Folkestone Festivals Fund	34,000	66,000
Total restricted	34,000	1,713,500
Unrestricted		
Eurotunnel donation	-	6,000
Other	6,481	5,165
Total unrestricted	6,481	11,165
Total donations and legacies	40,481	1,724,665

4 Charitable activities

	Rental income	Grants	Other sources of income	Total
	£	£	£	£
Creative Quarter	1,490,964	-	-	1,490,964
Folkestone Triennial	-	-	341,561	341,561
Folkestone Artworks	-	-	109,422	109,422
Prospect Cottage	-	-	164,797	164,797
Quarterhouse	18,749	75,000	73,495	167,244
Arts Programme Festivals and events	-	-	7,752	7,752
Learning & Engagement	-	-	21,725	21,725
Development	-	267,698	57,582	325,280
2023 Total activities	**1,509,713**	**342,698**	**776,334**	**2,628,745**
2022 Total activities	**1,427,589**	**481,582**	**1,231,846**	**3,141,017**

Of the £2,628,745 income received in the period to 31 March 2023, £25,000 was attributable to restricted funds and £2,603,745 was attributable to unrestricted funds.

Of the £3,141,017 income received in the period to 31 March 2022, £725,297 was attributable to restricted funds and £2,415,720 was attributable to unrestricted funds.

5 Other trading activities

	Unrestricted	
	2023	2022
	£	£
Bar income	62,528	32,390
Parking income	35,635	29,569
Film and other sundry income	20,755	4,422
	118,918	66,381

6 Investments

	Unrestricted	
	2023	2022
	£	£
Deposit account interest	5,270	618

7 Charitable activities

	Direct Costs £	Grants payable £	Support costs £	Total £
Creative Quarter	881,776	-	236,171	1,117,947
Arts programme festivals and events	82,056	34,000	23,952	140,008
Folkestone Triennial	97,881	-	28,571	126,452
Folkestone Artworks	107,950	-	31,510	139,460
Prospect Cottage	119,959	-	35,016	154,975
Quarterhouse	607,757	-	222,124	829,881
Learning & Engagement	39,992	-	11,674	51,666
Development	102,033	-	-	102,033
2023 Total activities	2,039,404	34,000	589,018	2,662,422
2022 Total activities	3,231,591	66,000	584,562	3,882,153

Of the £2,662,422 charitable activities expenditure in the period to 31 March 2023, £161,452 was attributable to restricted funds and £2,500,970 was attributable to unrestricted funds.

Of the £3,882,153 charitable activities expenditure in the period to 31 March 2022, £1,039,854 was attributable to restricted funds and £2,842,299 was attributable to unrestricted funds.

8 Grants payable

	Unrestricted 2023 £	2022 £
Arts programme festivals and events	34,000	66,000

9 Support costs

Support costs represent finance, administration, and other indirect central costs. The support costs have been allocated in proportion to the direct costs incurred in respect of each activity excluding depreciation and gifts in kind.

10 Other trading activities

	Unrestricted 2023 £	2022 £
Bar expenditure	45,019	31,843

11 Auditor's remuneration	2023 £	2022 £
Audit services – statutory audit of the Charity	24,750	21,500
Other services:		
Auditor's non-audit services	6,350	5,500
	31,100	27,000

12 Net income	2023 £	2022 £
This is stated after charging:		
Depreciation	104,265	248,557

13 Staff costs and remuneration of key management personnel	2023 £	2022 £
Wages and salaries	807,121	845,086
Social security costs	78,194	69,712
Pension costs	72,923	65,672
	958,238	980,470

The average monthly number of employees during the year was as follows:	2023 no.	2022 no.
Creative Quarter	4	4
Arts programme festivals and events	1	1
Development	2	2
Marketing	3	3
Learning and engagement	1	1
Management and administration	5	5
Quarterhouse	3	4
Triennial	1	5
Visitor Experience	5	7
Prospect Cottage	1	-
	26	32

The number of employees whose emoluments for the year fell within the following bands was:

£80,001 – £90,000	-	1
£90,001 – £100,000	1	-

All employees earning more than £60,000 in the current and previous year participated in the pension scheme. Contributions for the year totalled £12,825 (2022: £11,308).

13 Staff costs and remuneration of key management personnel (continued)

The Chief Executive Officer, Mr A Upton, was also a member of the Board of Trustees during the year and received remuneration and benefits for his services in that office, through an employment contract with the Charity, of £90,699 (2022: £80,015) and pension contributions for the period of £12,825 (2022: £11,308). Mr A Upton was also reimbursed expenses in his role as Chief Executive Officer totalling £2,771 which relate to travel, subsistence and telephone costs.

The Deputy Chief Executive Officer, Mrs F Kingsman received remuneration and benefits for her services in that office, through an employment contract with the Charity, of £52,775 (2022: £51,000) and pension contributions for the period of £5,278 (2022: £5,100).

The Charity considers its Board of Trustees, including the Chief Executive and deputy Chief Executive Officer, as their key management personnel. No other members of the key management personnel received remuneration during the current period or previous year.

Notes to the Financial Statements (continued)
For the year ended 31 March 2023

14 Tangible fixed assets

	Freehold property £	Long leasehold and leasehold improvements £	Plant and machinery £	Furniture & Fixtures £	Computer equipment £	Total £
Cost						
At 1 April 2022 and 31 March 2023	5,992,909	16,579,329	129,223	9,595	24,978	22,736,034
Depreciation						
1 April 2022	1,502,140	1,285,347	129,223	9,595	24,978	2,951,283
Charge for the year	39,952	64,313	-	-	-	104,265
31 March 2023	1,542,092	1,349,660	129,223	9,595	24,978	3,055,548
Net book value						
31 March 2023	4,450,817	15,229,669	-	-	-	19,680,486
31 March 2022	4,490,769	15,293,982	-	-	-	19,784,751

15 Heritage assets	Total £
Market value	
At 1 April 2022 and 31 March 2023	53,400
Net book value	
At 1 April 2022 and 31 March 2023	53,400

Following the year end, the above assets were transferred to Folkestone Town Council.

16 Fixed asset investments	Shares in group undertakings £
Market value	
At 1 April 2022 and 31 March 2023	1
Net book value	
At 1 April 2022 and 31 March 2023	1

The Charity's investment at the balance sheet date was held in the following company:

	Registered Office	Class of share	% held Directly	% held Indirectly	Nature of business
The Creative Foundation (Trading) Limited	Quarterhouse, Mill Bay, Folkestone, Kent CT20 1BN	Ordinary A	100%	-	Dormant

17 Debtors: amounts falling due within one year	2023 £	2022 £
Trade debtors	10,710	40,002
Other debtors	40,783	42,962
VAT	8,498	-
Prepayments and accrued income	144,554	207,422
	204,545	290,386

18 Creditors: amounts falling due within one year	2023 £	2022 £
Trade creditors	138,122	95,936
Amounts owed to group undertakings	647	647
Social security and other taxes	15,738	9,878
Other creditors	148,440	139,322
Accruals	82,042	70,020
Deferred income (note 18a)	55,923	99,265
	440,912	415,068

18a Deferred income	2023 £	2022 £
Deferred income as at 1 April	99,265	256,871
Income received requiring deferment	55,923	99,265
Release of income during the year	(99,265)	(256,871)
Deferred income as at 31 March	55,923	99,265

Deferred income of £41,934 (2022: £41,695) represents income received in advance for property rentals, £13,989 (2022: £57,570) represents income received in advance in relation to grants.

19 Pension

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £72,923 (2022: £65,672). The total contributions outstanding at the year-end were £Nil (2022: £Nil).

Notes to the Financial Statements (continued)
For the year ended 31 March 2023

20	Analysis of net assets between funds – 31 March 2023	Unrestricted funds £	Restricted funds £	Total Funds 2023 £	Total funds 2022 £
	Fixed assets	266,633	19,467,253	19,733,886	19,838,151
	Investments	1	-	1	1
	Current assets	1,592,936	10,000	1,602,936	1,386,854
	Current liabilities	(430,912)	(10,000)	(440,912)	(415,068)
		1,428,658	19,467,253	20,895,911	20,809,938

	Analysis of net assets between funds – 31 March 2022	Unrestricted funds £	Restricted funds £	Total Funds 2022 £	Total funds 2021 £
	Fixed assets	279,323	19,558,828	19,838,151	18,439,208
	Investments	1	-	1	1
	Current assets	1,386,854	-	1,386,854	1,972,966
	Current liabilities	(415,068)	-	(415,068)	(620,922)
		1,251,110	19,558,828	20,809,938	19,791,253

21	Movement in funds	At 31 March 2022 £	Net movement in funds £	At 31 March 2023 £
	Unrestricted funds			
	General fund	560,191	94,635	654,826
	Designated funds	475,875	84,726	560,601
	Freehold property	215,044	(1,813)	213,231
		1,251,110	177,548	1,428,658
	Restricted funds			
	Freehold properties	4,264,848	(27,262)	4,237,586
	Leasehold properties	15,293,980	(64,313)	15,229,667
		19,558,828	(91,575)	19,467,253
	Total funds	20,809,938	85,973	20,895,911

21 Movement in funds (continued)

Net movement in funds, included in the above, are as follows:

	Income	Expenditure	Transfer	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	2,734,414	(2,345,902)	(293,877)	94,635
Designated funds	-	(198,274)	283,000	84,726
Freehold property	-	(1,813)	-	(1,813)
	2,734,414	(2,545,989)	(10,877)	177,548
Restricted funds				
Quarterhouse	25,000	(25,000)	-	-
Freehold Property	-	(38,139)	10,877	(27,262)
Leasehold Properties	-	(64,313)	-	(64,313)
Arts Programme Festivals & Events	34,000	(34,000)	-	-
	59,000	(161,452)	10,877	(91,575)
Total funds	2,793,414	(2,707,441)	-	85,973

The transfer of £10,877 during the year between the general fund and the freehold property restricted fund relates to a misallocation of depreciation in 2022 and 2021.

Details on funds are as follows:

Quarterhouse — The ownership and operation of the Quarterhouse Performing Arts Centre.

Freehold Property — Represents grants received by the Charity for capital projects. These are depreciated over the estimated useful economic life of the asset the grant was used to purchase.

Leasehold properties — Represents the transfer of leasehold properties from the Roger De Haan Charitable Trust to the Charity.

Arts Programme Festivals & Events — Festival ticket and fundraised income.

Designated funds — The Trustees have designated a total of 561,000, to Triennial 2025.

22 Related party disclosures

The Roger De Haan Charitable Trust (RDHCT), a charity of which Sir Roger De Haan is a Trustee, donated leasehold properties valued at £Nil (2022: £1,647,500), made a payment of £101,439 (2022: £98,797) to the Folkestone Artworks and a grant of £Nil (2022: £311,000) for the Folkestone Triennial.

At the year end, the Charity owed £647 (2022: £647) to its subsidiary, The Creative Foundation (Trading) Limited.

Details of trustees' remuneration and benefits can be found in note 13.

23 Net cash flow from operations

	2023 £	2022 £
Net surplus for the year	85,973	1,018,685
Depreciation	104,265	248,557
Interest received	(5,270)	(618)
Decrease in debtors	85,841	157,531
Increase/(decrease) in creditors	25,844	(205,854)
Donated assets	-	(1,647,500)
Net cash inflow/(outflow) from operating activities	296,653	(429,199)

24 Agency arrangements

The Charity administers the disbursement of the grants due to the partners of The Great Place Scheme Pioneering Places: East Kent, on behalf of National Lottery Heritage Fund. In the year, amounts were received totalling £Nil (2022: £505,214). At the year end, a balance of £Nil (2022: £Nil) was held by the charity. The scheme ended in November 2021 and did not generate any further arrangements.

CREATIVE FOLKESTONE

England & Wales - Charity number 1105174

Accounts

Company Registration Number: 04566484
Charity Registration Number: 1105174

CREATIVE FOLKESTONE

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2022

CREATIVE FOLKESTONE

Strategic Report
For the year ended 31 March 2022

The Trustees, (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Creative Folkestone for the year ended 31 March 2022.

The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". As Creative Folkestone is a company limited by guarantee, the report and statements also comply with the Companies Act 2006.

Pages 1 to 3 comprise the Strategic Report as required by company law, as well as providing the information required by SORP for the Trustees' Annual Report.

Reference and administrative details

Registered company number	04566484 (England and Wales)
Registered charity number	1105174 (England and Wales)
Registered office	Quarterhouse Mill Bay, Folkestone Kent CT20 1BN
Trustees	Sir Roger De Haan (Chair) Cathy Beare Lady Alison De Haan Sir Stephen Deuchar CBE Paul Hudson Andrew Ironside Trevor Minter OBE DL Judith Nesbitt (Appointed 27th June 2022) The Earl of Radnor Vanessa Stone Alastair Upton Grahame Ward (Retired 8th March 2022)
Chief Executive	Alastair Upton
Deputy Chief Executive	Fiona Kingsman
Company Secretary	Angela Ludlow
Auditor	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
Solicitors	Withers LLP 16 Old Bailey, London EC4M 7EG
Bankers	NatWest Bank Folkestone Branch, Europa House 49 Sandgate Road Folkestone Kent CT20 1RU
Website	www.creativefolkestone.org.uk

Strategic Report
For the year ended 31 March 2022

Objectives and activities

Established in 2002, Creative Folkestone is an arts charity dedicated to producing and enabling the very best creative activity to help transform Folkestone and the surrounding area of Kent. Working with the people of Folkestone, our partners and other stakeholders, we aim to make the town a better place to live, work, play, study and visit.

The Charity's objectives, as set out in the governing document, are "The fostering of knowledge and appreciation of art, music and literature; the relief of poverty by assisting individuals who are in need, in particular by assisting artists to become self-supporting through their art; the provision of facilities in the interests of social welfare for the inhabitants of Folkestone and the surrounding district; the promotion of regeneration in areas of social and economic deprivation."

Creative Folkestone believes that everyone is creative, and that creativity has the power to change people and places for the better. With a passion for creativity at its heart, the Charity will enable people's creativity to flourish, enriching the town and those who live in it, or visit it, and transform Folkestone's reputation.

All our Board and staff are committed to enabling the very best work to be created. We always appoint skilled and ambitious curators and programmers who are empathetic to art, artists, place and community. Creativity drives the goals we set ourselves and which continue to guide the organisation:

Goal 1: Creatively engage the people of Folkestone
Goal 2: Creatively transform the look of Folkestone
Goal 3: Creatively change the economy of Folkestone
Goal 4: Change the reputation of Folkestone as a creative town
Goal 5: Create a sustainable Creative Folkestone

A principal focus for the Charity in achieving these goals is the development of the Creative Quarter, in the historic old town area of Folkestone, through a process of property acquisition, refurbishment and letting. The Charity benefits from a collaboration with the Roger De Haan Charitable Trust (RDHCT), which shares many of the Charity's goals. Typically, RDHCT funds the acquisition and refurbishment costs of properties and after the renovation works are complete leases them to the Charity on a long term basis at a peppercorn rent. Creative Folkestone then proceeds to let the refurbished property at affordable rates to artists, education providers and a wide range of creative organisations.

Creative Folkestone has a remarkable record of success having already transformed the most run down part of Folkestone. Around ninety buildings have been restored in the Creative Quarter and the area is populated by artists and creative industries. We use the Quarterhouse, our performance venue that we built in 2008, to stage our annual Folkestone Book Festival and a full programme of music, theatre, dance and comedy. The area has been animated by five internationally acclaimed Folkestone Triennials when we commissioned site specific artworks to be exhibited in the public realm around the town. After each show we kept many of the exhibits and added them to Folkestone Artworks which have then been kept on permanent display. As our collection has grown, so has Folkestone's reputation as a unique destination for those who enjoy contemporary art. In 2021 we took on the stewardship of Prospect Cottage, Derek Jarman's former home in Dungeness, along with a commitment to open its doors to the public through visits and a residency programme.

The Charity continues to work with a range of public and private sector organisations on a number of strategically important initiatives which are helping us to have a profound regenerative impact on the community.

The creative transformation of Folkestone is being achieved through a number of core projects developed and managed by Creative Folkestone: the Creative Quarter, Quarterhouse, Folkestone Book Festival, Folkestone Triennial, Folkestone Artworks and Prospect Cottage; all these initiatives are underpinned by our Learning and Engagement programme.

Public benefit

The Charity's Trustees have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance (PB1, PB2 and PB3) published by the Charity Commission. They are aware of the public benefit requirement, its implications for charities and their duty to report how they have carried out the Charity's purposes for the public benefit and take the public benefit guidance into account when making decisions.

The Charity's particular public benefit activities are included under Achievements and Performance. Our activities, and particularly our Learning and Engagement work and co-produced festivals, are deeply embedding Creative Folkestone in the local community. Folkestone Triennial, and many other activities, are free of charge to the public.

The Charity continues to contribute to the overall social and economic regeneration of deprived areas in Folkestone through the advancement of the arts, culture, heritage, learning and the establishment of a community of over 600 creative individuals and businesses.

Structure, governance and management

The Charity is a company limited by guarantee with no share capital, and a registered charity. The Charity's memorandum and articles of association are the primary governing documents of the Charity.

Creative Folkestone has a supportive Board of highly skilled and committed Trustees. The Trustees during the year were those set out on page 1. Trustees are also members of the Charity. The Trustees have complied with the duties described under the Charities Act 2011, and with proper regard to the guidance published by the Charity Commission.

The Creative Folkestone Board provides the statutory governance and also governance over artistic vision and quality. The Board is supported by four Sub Committees who oversee Management, Visual Arts, Performing Arts and Learning and Engagement and Creative Quarter Regeneration, and report back their recommendations to the main Board.

We actively advertise for new members of sub-committees of the Board and applicants are interviewed by the CEO and another trustee. They are invited to join the sub committees and if appropriate can move on to the main board. Our induction process includes Trustees being given a copy of our constitution, audited accounts and copies of trustee meeting minutes, together with the Charity Commission's guidelines for charity trustees. The new Trustee is also given a detailed tour of the Creative Quarter and an introduction to all the projects being undertaken by the Charity.

Although there is no formal training policy in place, the Trustees are encouraged to participate in training programmes either through their principal employer or through participation in ad hoc training courses.

Key management personnel and pay policy

The Charity considers its key management personnel to be its Board of Trustees, the Chief Executive and the Deputy Chief Executive. The remuneration is normally set annually in accordance with the pay policy, with any changes taking effect from the 1st April each year. The Chief Executive and the Deputy Chief Executive are the only paid key management personnel. The pay policy for the Chief Executive and the Deputy Chief Executive is the same as for other staff.

This Strategic Report was approved by the Board of Trustees on 6 December 2022 and signed on their behalf by:

Sir Roger M De Haan – Chair of Trustees

Achievements and performance

Creative Folkestone overview

The financial year started with many Covid-19 restrictions still in place and performance spaces at Creative Folkestone closed to audiences and the public during April and May. While we continued to successfully deliver a creative programme digitally and outdoors, the uncertainty of the ongoing pandemic meant that we had to remain flexible and adapt to changing circumstances for most of the year.

Following the easing of restrictions in June 2021, our efforts focused on bringing Folkestone, including the Creative Quarter, back to life and providing a much-needed boost to the local economy.

To do this we drew on our experience and learnings from the 2020/21 lockdowns, which gave us the confidence to be both innovative and experimental with our creative programme which was planned to be delivered both digitally and in person.

We celebrated the reopening of the Quarterhouse in June, supported by the Arts Council Cultural Recovery Fund, with a new hybrid summer iteration of our postponed annual Folkestone Book Festival. With some restrictions still in place, and live audiences having to be limited, nearly all of the programme was made available via a digital platform. Our summer festival gave many Folkestone residents an opportunity to come out of isolation to join a variety of outdoor talks, debates, films and performances.

The highlight of 2021 was the fifth Creative Folkestone Triennial which, postponed for a year, took place over an extended period of 15 weeks from 22 July to 2 November 2021. The exhibition attracted more than 220,000 visitors, generating over £13,300,000 for the local economy and, along with impressive national and international media coverage, provided the town with a much needed reboot.

The Triennial transformed the town through the installation of 23 new contemporary artworks from 21 international artists and collectives - including three Turner Prize winners - placed in 45 locations, making it more ubiquitous than any of its predecessors. Additionally, four artworks were selected from Folkestone Artworks to contribute to the narratives of the exhibition. The newly commissioned works were by artists from all over the world including Bangladesh, Chile, Belgium, Mozambique, France, Croatia, Holland, Japan, Ghana, Germany, Malaysia as well as the UK.

The community gained access, for the first time in decades, to the disused Gasworks site in Folkestone by placing three Triennial artworks here. This was achieved by the effective campaigning work of the Pioneering Places East Kent project. The site has now been purchased by Folkestone and Hythe District Council who have committed, in partnership with Creative Folkestone, to create a flagship of urban redevelopment.

The work of the Performing Arts and Learning Team gained momentum through the year as Creative Folkestone's regular arts and performance programme resumed in earnest. In total, Quarterhouse staged 103 performances attended by 6,903 people bringing back the fun and enjoyment of live performance.

The in-person Learning and Engagement Programme returned in the lead up to the Triennial with a diverse and inclusive programme aimed at all ages, backgrounds and abilities. In total, it offered more than 136 activities which were enjoyed by approximately 7,600 participants.

Free and inclusive outdoor events such as *Walk with Amal, The Day of the Crowned Death* and *Beacons* proved popular and were attended by thousands of Folkestone residents and visitors who celebrated the return of the town to being a popular seaside destination buzzing with life, creativity and art.

Artists and creatives in Folkestone continued to use our performance spaces, even while Covid restrictions were in place, for research, development, training and rehearsals through our *Open Sesame* programme. Together with the offer of seed funding, this presented a lifeline for many as it allowed participants to use the period when live performance in front of audiences was restricted for rehearsals and/or development.

Having been hit hard by the Covid-19 pandemic the Creative Quarter returned, over the summer, to a bustling place frequented by visitors seeking creativity and inspiration. Interest in new tenancies remained strong, indicating a continuation of the creative sector recovery. This resulted in high occupancy levels of over 90% by year end March 2022.

Report of Trustees
For the year ended 31 March 2022

In December we took on the stewardship of Prospect Cottage, Derek Jarman's former home in Dungeness, following a successful campaign delivered by Art Fund, Creative Folkestone and Tate to save the cottage and its iconic garden. Maintenance work then began on the cottage and garden, and preparations for a commitment to open its doors to the public through visits and a residency programme.

Activities for the EU Interreg North Sea programme, CUPIDO, continued digitally with the first in person meeting finally taking place in March 2022. The project started in 2018 and brought together 16 partners from seven countries to share their knowledge, expertise and resources for promoting the digitalisation of the cultural sector and the establishment of CreaTech industries.

Funding included a contribution to the costs for the establishment of our digital:glassworks hub and the integration of digital components into the Book Festival and Triennial programme. It also financially supported Open Quarter 2021 giving SMEs in the Creative Quarter the opportunity to share their digital knowledge and to promote their businesses. Due to the Covid pandemic, the project was granted a second six-month extension, pushing the anticipated end date back to September 2022.

During 2021 works were completed in digital:glassworks for the Hi3 Network, a project funded by European Regional Development Fund (ERDF) and led by London South Bank University in partnership with Canterbury Christ Church University, Creative Folkestone, Maidstone Studios and Screen South.

The Board of Trustees would like to express their appreciation for the continued generosity of its benefactors in terms of both committed funding and in-kind assistance with the work of the charity, including Art Council England (ACE), Kent County Council (KCC), Folkestone and Hythe District Council (FHDC), National Lottery Heritage Fund, Historic England, England's Creative Coast, Canterbury Christ Church University, CUPIDO and the EU Interreg North Sea Programme, Hi3 Network, Oak Foundation, Henry Moore Foundation, Embassy of the Netherlands, Saga, NewsNow, Jenner, Breem Construction, Hollaway, Leas Pavilion Development Limited, Martello Building Consultancy, Neat Studios, Otterpool Park and Quinn Homes.

The Board of Trustees would like to convey special thanks to the Trustees of RDHCT for their continued support for the work of Creative Folkestone.

The Board of Trustees would also like to express their appreciation for the dedication and hard work of both the Charity's staff and its committee members who are not Trustees. Their continued flexibility and willingness to adapt to still changing conditions due to the Covid-19 pandemic made it possible to deliver an ambitious and challenging arts and performance programme and to allow the Creative Quarter to recover from the unprecedented ramifications of the lockdowns.

Creative Quarter

The Creative Quarter is an urban village of designers, filmmakers, musicians, web developers and artists located in the old town of Folkestone. It is made up of over ninety restored buildings spanning residential flats, studios, offices, warehouses and shops. The area is populated by a community of over five hundred artists and creatives and home to many businesses and individuals who have created hundreds of jobs that have helped rejuvenate the local economy.

The Creative Quarter reopened properly over the summer with the easing of Covid restrictions. The visitors generated by the Book Festival and the Triennial helped to bring the local economy slowly back to life.

New enquiries for tenancies resulted in high occupancy levels of over 90% by year end March 2022. The bulk of applicants were for residential, ground floor commercial space and Old High Street shops which meant that any of these properties were swiftly occupied when they became available.

A number of tenants moved into larger premises after having successfully developed their practices or businesses and have outgrown their work spaces. This included Fourth Wall, Folkestone, and Ben's Vintage which moved into new and larger properties on the Old High Street.

The summer saw the successful return of pop-ups as trials for permanent premises - a model which we intend to replicate going forwards.

Handover of the new Mill Bay Cabins took place on 8 September 2021 with tenants moving in soon after. The buildings in Mill Bay are striking, modern, wooden-clad structures incorporating a Triennial artwork by Jacqueline Poncelet.

Mill Bay Cabins completes the final handover of new and refurbished spaces by the Roger De Haan Charitable Trust to Creative Folkestone. Since 2002, the RDHCT has been purchasing, restoring and leasing, at a peppercorn rent, properties in the Creative Quarter to Creative Folkestone. The portfolio consists of 90 buildings which contain 76 residential, 52 business and 126 studio and office spaces. The properties are leased to Creative Folkestone on a 125 year term. The leases allow Creative Folkestone to gain a rental income to deliver their charitable works.

Last year saw the completion of the planned external building redecoration in the Old High Street, Tontine Street and Mill Bay area which gave the entire quarter an uplift. It comprised essential repairs and cleaning for many of the buildings, including gutters and external plumbing.

Open Quarter returned in September with Open Studios; a two day festival in Payers Park and live streamed/in person talks at Quarterhouse and Glassworks which were well attended by the public and tenants alike.

On 2 November 2021 the Creative Quarter was filled with colour and sound as the annual Christmas light switch-on was paired with the *Day of the Crowned Death* event that marked the close of the Triennial. Hidden in the artwork *Janus Fortress: Folkestone* by Pilar Quinteros was a crowned skull that was brought down from the East Cliff, through the Creative Quarter, and on to Payers Park where the artwork now resides. The procession of drummers, dancers and musicians was accompanied by more than 3,000 people, bringing visitors into the Creative Quarter.

The regular Creative Quarter Christmas Concert resumed giving tenants, partners and the local community an opportunity to come together in celebration. The event featured performances of music, poetry and live art by Creative Quarter tenants.

We continued to be part of the Hi3 Network, a project launched in 2020 and co-funded by the European Union with a focus on the development of moving-image, screen-based and creative technologies through innovative research and development. The aim is to establish a network of industry specialists, researchers and businesses that will bring new opportunities and resources to young film creators at digital hubs in Folkestone, Canterbury and Maidstone.

The Folkestone hub is based in digital:glassworks and Hi3 Network funding supported office and studio costs for one of our partners, Screen Sout, a cultural development organisation with digital creativity at its heart. Last year saw the official launch of the hub and our work focussed on raising awareness for the Hi3 Network and Screen South through social media and internal and professional network communications.

In addition, Creative Folkestone raised awareness for the project through targeted communication to local SME's and professionals, using our existing networks. This included promoting the Hi3 Network to Creative Quarter tenants, posting information in Facebook groups and contacting organisations such as the local Chamber of Commerce.

Creative Folkestone Triennial 2021

Twenty-one artists from diverse backgrounds were invited to use the public realm as their inspiration to create new artworks to reflect Folkestone's cultural history and highlight current topics in the town and the wider world. Entitled *The Plot,* the Triennial took visitors on various routes through Folkestone to learn more about three historic narratives: St Eanswythe's watercourse, the physician William Harvey's discovery of the circulation of the blood and Folkestone's industrial road, 'The Milky Way'.

In total, 23 site-specific artworks were created by internationally acclaimed artists, including three Turner prize winners, in 45 positions around Folkestone. The artworks encouraged visitors to reflect upon the gap between stories and their reality, raising questions about the universal need to distinguish myth from reality.

The contributing artists/artist collectives were Assemble, Rana Begum, Sam Belinfante, Stephanie Bergman, Jyll Bradley, Patrick Corillion, Shezad Dawood, Richard Deacon, Diane Dever, Jacqueline Donarchie, Gilbert & George, Genuinefake, Tina Gverović, Mariko Hori, Christopher Houghton Budd, Atta

Kwami, Morag Myerscough, Jaqueline Poncelet, Pilar Quinteros, Bob and Roberta Smith, Mike Stubbs, Jason Wilsher-Mills, Wolfgang Winter & Berthold Hörbelt, HoyCheong Wong, Simon Davenport & Shahed Saleem and Bill Woodrow.

Approximately 220,000 visitors enjoyed the exhibition with 45% of those visiting for the first time, doubling the proportion of previous events, indicating that our audience reach has broadened.

A survey revealed that 88% of visitors felt the Triennial helped to improve Folkestone as an attractive place to visit and 77% felt it improved the public space and environment and brought valuable business to the area.

With visitors spending approximately £50 per visit, we calculated that the Triennial generated £11,000,000 of economic activity for the region, with a further £2,300,000 of investment from Creative Folkestone, its funders and sponsors, giving a total of £13,300,000 direct inward investment into Folkestone.

In the lead up to the exhibition, partnerships with arts organisations, local community groups, charities, schools, universities, and local and regional authorities were established. They were crucial for enriching the engagement programme, ensuring that local people were included in planning and also in building the wealth of specialist knowledge and expertise required by some artworks.

We partnered with *England's Creative Coast (ECC)*, a landmark project between seven outstanding art organisations, to create a new outdoor cultural experience along the South Coast of England. The Triennial artwork *Janus Fortress: Folkestone* produced by Pilar Quinteros was co-commissioned to become one of a series of seven artworks unveiled for *ECC* in May 2021 at locations between the East Sussex Downs and the Thames Estuary.

In addition, the partnership funded an accompanying local community programme that included the world's first *Art Geotour* with two geocaches placed around Folkestone. The offer of the *Geotour* was taken up by a total of 1,400 people.

The Triennial was accompanied by a comprehensive Engagement Programme encompassing a Public Programme and a Learning Programme comprising 245 events and activities attracting 16,798 participants. The programme was designed for people of all ages and abilities and with a range of interests. It was packed with talks, workshops, guided tours, films, conferences and more, offering audiences and participants, a vast range of opportunities to dive deeper into the ideas, artworks and themes of the exhibition.

The Learning Programme reached an estimated 6,500 children and young people through 87 workshops, 24 online assemblies and other creative activities. In September, we were delighted to finally deliver an in-person event at a local primary school attended by 220 pupils. In addition, 327 students took part in the Higher Education Programme.

1.2 million people engaged digitally through video content, podcasts and online conferences/ talks and discussions and through an interactive social media campaign.

The exhibition was widely marketed through 24 newsletters, 850 posters, 73,100 flyers, 190,000 Triennial website visits, through the local community, school assemblies and through Creative Folkestone's professional networks of funders and partners.

An extensive PR campaign secured 156 editorials in print and online press on local, national and international platforms, reaching a readership of over 3.4 billion.

A detailed evaluation report was sent to funders, partners and other stakeholders.

Folkestone Artworks

Folkestone Artworks is the largest urban outdoor exhibition of contemporary art in the UK, currently consisting of 74 artworks from 46 artists. The exhibition has grown over the years with new work added after each Triennial.

Part of the exhibition is owned by Creative Folkestone, however much of it is owned by the Roger De Haan Charitable Trust. Other exhibits are loaned by the artist. The Roger De Haan Charitable Trust pays for the exhibition's maintenance, its insurance and contributes to the costs of its custodian.

After Folkestone Triennial 2021 we worked with Kent County Council and Folkestone and Hythe District Council to apply for planning permission for those artworks that will remain in place. If successful, it will bring the number of artworks to 90 by 57 artists.

Over the last year, maintenance work continued to be carried out as scheduled while major repair work was completed on Richard Wood's *Holiday Home*, Sol Calero's *Casa Anacaona*, AK Dolven's *Out of Tune*, Marc Schmitz and Dolgor Ser-Od's *Siren,* Christian Boltanski's *The Whispers* and Pae White's *Barking Rocks.*

Quarterhouse

The work of the Performing Arts and Learning Team gained momentum from June onwards when Covid-19 restrictions started to ease and plans were made to implement Creative Folkestone's regular performing arts programme again. A full performance programme of dance, music, theatre and film was in place for the autumn season that offered 103 performances to an audience of 6,903 people.

The community group Confidance whose work with dancers with learning disabilities returned to the digital:glassworks studio in May with their professional dance company, ConfiCo, for weekly training sessions. They performed at Rana Begum's Triennial artwork, *No.1054 Arpeggio.* ConfiCo also presented the pop-up performance *Take a Dip,* a dance show that celebrated creativity and Folkestone's colourful seafront.

The programme of dance shows continued in November with two performances. The Jose Agudo Dance Company drew upon their unique mix of flamenco and contemporary dance and the Pagrav Dance Company, a new generation of British dancers of Indian heritage transported viewers to Uttarayan, the world-famous festival in Gujurat, North India.

Strangelove Time-Based Media Festival returned to venues across Folkestone promoting experimental, innovative art and film over two days in September with thought-provoking world premiere performances.

In September, a sold-out Quarterhouse welcomed back the first standing music audience to the Quarterhouse since COVID-19 for a live performance from the British folk/Americana trio, *The Staves.* It was presented by the Brighton based independent music promotions company, Melting Vinyl, with the group supported by the well-known Oklahoma native singer and songwriter Samantha Crain.

Melting Vinyl continued to present several contemporary folk artists with exceptional song-writing skills and musicianship throughout the winter. This included the pioneering Scottish folk trio LAU, who won the BBC Radio 2 Folk Awards Best Group four times.

In the second half of the year, Quarterhouse welcomed several theatre companies including the Frozen Light Theatre Group, who brought their sensory performance, *2065,* to the stage to tell the story of a group of rebels living outside the system in a futuristic setting. It was an opportunity to welcome audiences aged 13+ with profound and multiple learning disabilities. This strengthened our relationships with our community and care groups across Folkestone, Hythe, Romney Marsh and Ashford.

In February, one of UK's leading contemporary circus companies, Lost in Translation, returned to Quarterhouse with their spectacular *Hotel Paradiso.* The show had originally been scheduled for Easter 2020 but was postponed due to the pandemic. With most of the audience having retained their tickets the three shows that took part over the weekend were performed in front of full auditoriums.

The Doc Club started the new year with online screenings in April and May but then returned to Quarterhouse in June and continued to present monthly events throughout the autumn and winter season.

Doc Club films included *Jazz on a Summer's Day,* one of the best live music documentaries filmed at the 1958 Newport Jazz Festival in Rhode Island, *Beyond the Visible: Hilma af Klint,* a screening about a recent retrospective at the Guggenheim Museum of the visionary and influential painter Hilma af Klint; and *Cow,* a portrait of the life of a dairy cow presented by Oscar-winning director Andrea Arnold. Each screening was followed by a discussion between the hosts and the director of the film which gave audiences a unique insight into the making of the films.

In November we hosted the inaugural *Folkestone Documentary Festival* intending to bring innovative documentaries to Folkestone. The programme included the dog-friendly screening of *Stray* directed by

Elizabeth Lo and *Everybody in the Place* directed by Turner prize winner Jeremy Deller who was in conversation with Alastair Upton after the screening talking about his unique approach to documentary storytelling and the documentaries that inspire him.

Open Sesame, the programme offering free space for rehearsals, training, research & development, recording, live streaming and small meetings to the creative community, remained in place throughout the whole year. This decision was made in response to the high demand from artists and creatives to use the Quarterhouse auditorium and the digital:glasswork's studio.

In addition to having free access to performance spaces, artists were able to apply for seed funding to research and develop new projects. By the end of March 2022, six grants had been awarded, bringing the total number of artists, organisations or projects supported over the last year through *Open Sesame* to 52.

In the lead up to the opening of the Folkestone Triennial, the *Open Sesame* programme was used to host workshops where residents were invited to become part of Morag Myerscough artwork, *Flock of Seagulls Bag of Stolen Chips*. Several schools and community groups participated and came up with the key phrases that were painted onto large panels attached to a metal construction that echoed a gasometer that once stood on the former gasworks site at Ship Street.

Folkestone Book Festival

Folkestone Book Festival returned, taking its inspiration once again from the ideas and thoughts of H.G. Wells, who was born in Kent and was a Folkestone resident for thirteen years. Entitled *The Shape of Things to Come*, writers, artists and thinkers explored issues, including race relations, the environment, technology, food, pandemics, Britain, Russia, Europe and the US.

The festival was set up as a hybrid of digital, live, and outdoor events to ensure that national Covid-19 guidelines were followed. The live talks and performances took place in Quarterhouse to an audience limited in size along with outside venues to create Covid safe environments for audiences, artists and staff. The 27 digital, live and outdoor events were enjoyed by a total audience of approximately 4,500 adults and children.

Participants included Polly Toynbee, Luke Harding, Laura Bates, Nick Bryant and Otegha Uwagba amongst many other well known speakers. The opening by novelist, screenwriter and film director, Hanif Kureshi, was followed by ten days of thought provoking discussions on topics such as mental health, the financial crises, politics, technological innovations and stories about remarkable women.

One of the headline events of the festival was an immersive multimedia experience, inspired by the secret wedding of Nobel laureate, novelist and playwright Samuel Beckett in Folkestone on 25 March 1961 to his long-time partner Suzanne Deschevaux-Dumesnil.

To mark the 60th anniversary of Beckett's little-known appearance in Folkestone, the festival audience was invited - one at a time - to follow his footsteps around the town. At each location, they learnt about his stay by listening to new fictional monologues, written by Helen Oyeyemi, Rupert Thomson and Eimear McBride, delivered by an all-star cast; Jade Anouka, Russell Tovey and Dame Harriet Walter. As the audience members made their way through Folkestone's old town, they listened to biographical fact-files on Beckett's life.

Another highlight of the festival were two performances at Sol Colero's shorefront artwork, *Casa Ancona,* that presented an evening of folk music, poetry and readings. A starry line-up of folk singers and musicians, including Seth Lakeman, Jon Boden, Ben Nicholls and Jack Rutter, staged a programme of music interspersed by readings from best-selling writer and broadcaster Charlie Connelly, novelist Rosa Rankin-Gee and actor Evlyne Oyedokun.

The main live event for primary schools was presented in Quarterhouse by Kent-born bestselling children's author Kathrin Rundell. Three local artists were commissioned to create online workshops using various themes of the festival. The videos were then promoted on social media and shared with primary and secondary schools in Folkestone.

Open Quarter 2021

After being suspended for one year due to Covid-19, Open Quarter invited Folkestone residents and visitors to explore the Creative Quarter and take a look behind the scenes. It was also intended to raise awareness of and support for local creatives and businesses.

Open Quarter started with *Connecting Creatives*; a networking evening of PechaKucha style talks from creatives across the Creative Quarter to showcase their practice and businesses. Around 40 tenants used the event allowing them to network with fellow creatives and catch-up on the latest digital technology, experiences and skills.

Over 1,000 people of all ages enjoyed the packed programme of events in Payers Park. As well as live music, audiences enjoyed food and drink from local cafés and bars, a live graffiti painting and skating programme and a series of workshops led by local creatives.

Folkestone's skate park F51 and Neighbourhood Skate organised the skating programme and provided ramps and tuition to anyone who came along with a board.

The highlight of the afternoon was the high-quality immersive dance show *Fish Out Of Water* performed by Michaela Cisarikova Dance Company (MCDC) from within the crowds. The work explored stories of migration and displacement.The MCDC team had worked closely, over the summer, with young migrants and would often join them in the park area to understand and learn from their experiences.

Beacons

Beacons was a new outdoor winter solstice arts adventure designed by Folkestone based artist, Alison Neighbour, in partnership with Creative Folkestone and SparkedEcho, for members of the local community to celebrate their connections to each other, to the land, and to the sea. The project centred around the story of sea gooseberries that are washed up on Britain's shores every year and explained how the community used to welcome their arrival each year. It also aimed to help participants understand their role in the local and global eco-system.

The project was developed to engage with people who felt that art was not for them. The role of Creative Folkestone was to lead on the marketing of the project and co-managed the Community Engagement Programme. It also ran school workshops through its Learning and Engagement Programme.

Central to this complex and multi-layered project was the recruitment of local *Sea Gooseberry Guardians* from Folkestone, Hythe and Romney Marsh roles were to raise interest and engage the community in a Quest that took place over the month of November. In total, 169 people signed up although the total number of Quest participants far exceeded this as most people hunted with friends and family.

The more treasures the Quest participants found and logged on the project's website, the more it was likely they received a *Sea Gooseberry*. A total of 136 luminescent *Sea Gooseberries,* made from resin, were given to Quest participants, chosen members of the communities and participating schools. They were asked to bring them to the grand finale - *The Gathering* - that took place on Sunny Sands on 18 December.

The Gathering presented an immersive sound show performed by professional singers in futuristic yellow oil suits who navigated their way through the crowds on the beach while their sounds and singing were amplified through megaphones, giving the event a surreal touch. Despite the cold weather, and the increasing threat posed by Covid-19 variant Omicron, around 800 people came to enjoy the magical event with 90% of the *Sea Gooseberries* participating.

Pioneering Places

Pioneering Places East Kent was launched as part of the national Great Place Scheme and was an ambitious project to make East Kent a better place to live, work and visit by exploring heritage, developing civic pride and connecting artists and communities. Four projects in East Kent were seen as a priority with Creative Folkestone taking the overall lead as Project Directors. The Folkestone part of the project aimed to revive the abandoned and disused Ship Street Gasworks site.

Over three years, the four sites in Canterbury, Ramsgate, Dover and Folkestone formed a close partnership working together with 30 schools, three FE colleges, 11 universities and more than 140 partners, stakeholders, local community groups and national sector organisations.

At the Ship Street Gasworks site in Folkestone, three public artworks were commissioned and installed as part of Folkestone Triennial 2021, fully opening the site to the public for the first time in decades and attracting over 17,500 visitors in less than eight weeks, raising awareness and increasing visibility of the sites through the power of art.

Through collaborative work with the community, professionals and policy makers, inspiring and credible proposals for the future use of the site were devised, unlocking an estimated development value of £18 million. The site was reclaimed by the local community and purchased by Folkestone and Hythe District Council in early 2021.

The Council have invited proposals from developers for a mixed-use development of the site "with a strong focus on design, sustainability and art in public spaces." The Call for Proposals specifies the Council's intention for developers to continue working in partnership with Creative Folkestone and the local community to create a flagship model of urban redevelopment that will benefit the community for many years to come.

Although the funded period for Pioneering Places officially came to a close on 30 September 2021, agreement was reached with its funders to participate in an end-of-project event for policymakers and stakeholders that took place on 26 October 2021 on the Terrace Pavilion at the House of Commons. The event was sponsored by Damian Collins MP and focused on *Levelling up communities through cultural and heritage-led regeneration.*

The event was attended by over 100 people including DCMS Minister for Heritage and Tourism, Nigel Huddleston MP and DCMS Minister for the Arts, Lord Parkinson. Keynote speakers included Alastair Upton, Damian Collins MP as well as Darren Henley, Ros Kerslake and Duncan Wilson, CEOs of Arts Council England, National Lottery Heritage Fund and Historic England, respectively.

Learning and Engagement

The year started with a focus on our Triennial Learning and Engagement programme.

Leading up to the Triennial launch in July, 24 online presentations were made at assemblies to an estimated 4,500 pupils in primary and secondary schools in the district. Each lasted around 15 minutes and included the introduction of a selection of the newly commissioned artworks. It was also an opportunity to draw attention to the online resources, created for children and young people, and available on Creative Folkestone's website.

Two printed learning resources were produced - a Family Guide, aimed at primary school children, and a Young People's Guide, designed for older children. 4,500 guides were given out to families and schools throughout the exhibition.

As an online learning resource, a padlet page was created with information and ideas for families to use while taking a Triennial tour. The link to the padlet, together with a digital version of the guides, was sent to schools to support teachers and inspire children and young people.

The Triennial Learning Programme delivered 43 workshops and tours and was attended by 1,067 people of different age ranges and abilities. Five weekly activities were offered - two school workshops, a community workshop and a family drop-in workshop every weekend. In addition, a guided tour of the artworks was offered to schools every Friday.

Local artists were invited to deliver the workshops which were all created and inspired either by the newly commissioned artworks or based on themes from *The Plot.* Every artist was asked to choose the artwork they felt most inspired by or that resonated most with them in their own practice.

Over the summer holidays, a programme of activities was offered to children and young people to boost confidence, make friends, and develop creative skills. This included workshops to experiment with sounds, music, and production and, as part of the *Neon School* series, sessions to explore movement and digital immersive technologies.

The popular Young Animators Club was back in time for the October half term with workshops for children to use their creative skills to transform artwork into a digital game that could be played on computers,

tablets, and phones. The brand-new animated game was played and projected onto the Quarterhouse wall during Christmas celebrations.

Both the Young Animators Club and Neon School continued in January offering weekly sessions for children and young people interested in visual and performing art.

Our regular programme of family and school workshops also resumed in January. During the first three months of 2022 a total of eight sessions took place that were attended by 244 children and parents. Themes included making lampshades, creating a new environment through sculpture, and creating installations inspired by sounds, rhythms and migrating birds.

Prospect Cottage

Prospect Cottage, on the Dungeness estate, was the home of British film director Derek Jarman. He lived there from 1986 until his death in 1994. Jarman turned the cottage into a work of art and cultivated a garden in the surrounding shingle where he grew hardy plants mixed with sculptures made from driftwood and other flotsam.

In 2020, the Art Fund led a campaign along, with Tate and Creative Folkestone, that raised over £3,600,000 to purchase Prospect Cottage and create an annual fund to support it in the future so that it could be saved for the nation and become a centre for creative activity. Creative Folkestone has become the custodian of this iconic cottage and gardens. The charity signed a 125 year lease for the cottage with the Art Fund on 2 December 2021. As part of the lease it receives funds to cover all the maintenance and basic management costs. The relationship will be reviewed over time and the lease has a break clause that hopefully will never be used after ten years.

After we signed a lease with the Art Fund, an initial three-year plan set out the framework for a research and development period to define the requirements necessary to restore the cottage and garden and to establish the principles of regular care and conservation. The plan also outlines governance, staffing and an activity plan for the roll out of the residency programme and other activities.

Creative Folkestone was successful in securing a Project Grant of £30,000 from Arts Council England to pilot a residency programme in 2022/23. This grant, along with a donation of £10,000 from Rockefeller Philanthropy, enabled Creative Folkestone to set up a programme for 12 months. The residency programme will give artists, academics, writers, gardeners, filmmakers, and others interested in Jarman an opportunity to be inspired by his work and the garden. The first residencies will take place in August 2022.

A newly formed Prospect Cottage project team at Creative Folkestone was given the responsibility of delivering the plan and it will be supported and advised by a newly established Prospect Cottage Advisory Sub-Committee.

Initially the team dealt with urgent requirements to make the cottage safe and ensure that it was watertight. An extensive survey identified further, more complex, essential maintenance issues and a Folkestone based construction company was contracted to undertake the work.

The garden was maintained and plans were drawn up to build new herb planters that Derek Jarman wanted to have when he was alive. The wooden sculptures and assemblages were inspected and repaired where the *Ness*' harsh weather conditions had left their marks over the years. Plans were also made to restore the artwork *The Sun Rising,* on the side wall of the cottage, that depicts the words of John Donne's poem.

The Tate, our partners on the cottage, took the most fragile objects into their archives to protect this artistic legacy for future generations. This archive will be available to researchers and the public.

An inventory was completed of the remaining artworks, books, assemblages and other documents that were retained in the cottage and garden. Photographs were taken to document the cottage's original interior design and contents and to create a reference for potential future refurbishments.

Diversity

Diversity and equality are embedded in all Creative Folkestone activities that will give everyone in the community, independent understanding of their racial and social background and ability, the chance to

have a full cultural and creative life. There is an understanding in our organisation that the more we embrace diversity, the richer the results will be.

Our aim is to represent the diversity of Britain in our creative programme, on our stages and in our exhibitions. To represent the diversity of our community in our team, governance, staff, volunteers, tenants and audiences.

Environment

Creative Folkestone is committed to reducing its environmental impact year on year with the aims and objectives set out in our Environmental and Sustainability Policy and Plan, drafted initially in 2018 and reviewed annually. Our plan centred around measuring the reduction of energy, water and waste of our performance venue Quarterhouse. The achievements were measured through the online monitoring system, Green Creative Tools, developed by the charity Julie's Bicycle for the arts and culture industry. In addition, the system was used to calculate the carbon footprint of audiences' travelling to Quarterhouse. The default setting was developed by the charity based on average audience travel data in the UK.

So far, we achieved the expected reduction in all areas measured, however, for the year 2020/2021 was skewed by the shutdown of Quarterhouse.

Creative Folkstone's overall environmental impact, measured in carbon dioxide equivalent (CO2e), was 97 tonnes reduced from 176 tonnes CO2e in 2018/19 which is when we started to measure our carbon footprint. Of this, energy was 39 tonnes reduced from 64 tonnes, water and sewage was 275kg reduced from 1 tonne, waste was 13 tonnes reduced from 34 tonnes, and audience travel was 44 tonnes reduced from 176 tonnes in 2018/19. Covid lockdowns, over the last two years, mean that the CO2e data has dramatically reduced since we started collecting it in 2018/19. We expect, therefore, that 2022/23 data will show an increase in carbon footprint on this year, so future data must be read within this context.

In the last year our new policy has been drafted. It confirms our continued commitment to reduce the carbon footprint created by Quarterhouse activities but extends Creative Folkestone's responsibilities, for the first time, to the Creative Quarter with data being collected from our tenants and all of our properties.

Future Plans

In Autumn 2022, Creative Folkestone will celebrate its 20th anniversary and we will use this as an opportunity to highlight the charity's impact as the UK's leading placemaking organisation.

There are plans in development to celebrate the achievements of the last 20 years whilst at the same time looking forward to the next phase of Creative Folkestone's work as we start to roll out an ambitious five-year business plan.

Although the Creative Quarter has recovered well from the Covid-19 lockdowns, we will continue to provide support and advice to our commercial tenants to help them build on the strength and resilience they demonstrated throughout the pandemic.

The Creative Quarter Team will continue to strive towards maintaining full occupancy levels with a focus on filling the remaining empty premises in digital glassworks and the newly launched properties in Mill Bay. The Creative Quarter continues to grow and develop with the recruitment of new tenants from an increasingly high-quality pool of applicants.

As a partner of the European network project Hi3 we will continue to disseminate information about training, skill enhancement and networking opportunities delivered by our partner Screen South to local film and video creatives.

With the new Triennial curator in place this year we will see the start of planning for the 2024 exhibition. It is expected that a concept will be developed, artists selected, and some artworks commissioned. Some of the Triennial 2021 artworks will be added to the Folkestone Artworks exhibition as soon as planning permissions from the councils are granted.

The Performing Arts team will strengthen their relationship with the local creative community and will increase its investment in local creative talent performing as part of our arts and performance programme alongside high-quality national touring theatre, dance, music, comedy, film and family shows.

We will continue to offer space and seed funding for creatives to research, develop and rehearse new work through our *Open Sesame* programme. The opportunity will be an open call with a particular emphasis on encouraging artists who are currently under-represented in our programme.

Three successful festivals, SALT Festival of the Sea & Environment, Folkestone Documentary Festival and Take Up Space will take place again in 2022 with established and new partners. In addition, the Festivals Fund will continue to offer opportunities to local curators to develop their own festivals with the support of the Performing Arts team.

For 2022, the Book Festival will return to its historical slot in November to renew live contact with loyal audiences. A digital and performative element will remain as part of the programme with a continued emphasis on the future and future-thinking which will allow us to present a broad arc of writers and subjects including the climate emergency, diversity and technology.

The Learning and Engagement Programme will continue to consolidate relationships with schools across Folkestone, Hythe & Romney Marsh and to develop the family offer through an increasingly diverse range of free and open access workshops including the regular Neon School series and Young Animators Club.

Having outgrown its previous learning space on Tontine Street, Block 67 moved into lager premises in digital glassworks which will allow us to extend our adult education programme and increase the number of outreach workshops offered to community groups such as MIND, Surestart and KRAN to ensure our creative offer reaches all sections of the community.

At Prospect Cottage the planned maintenance work will be completed, and the focus will shift to the launch of its residency programme along with public visits in summer 2022. Relationships will be established and strengthened with partner organisations and the local community, and the cottage will be used as a resource for the Book Festival and the Learning and Engagement Programme.

In summary, we will continue to strive towards a full recovery from the Covid-19 pandemic. Creative Folkestone will build on last year's achievements and deliver a full programme of activities reflecting our vision to make Folkestone a better place to live, work, play and visit through creativity and regeneration for all.

Financial review

The financial position of the Charity is as set out in the financial statements for the year. During the financial year ended 31 March 2022, the Charity achieved a surplus of £1,018,685 (2021: surplus, £1,388,811) of which £1,647,500 (2021: £1,150,000) relates to the value of property donated by the Roger De Haan Charitable Trust (RDHCT) during the year.

The Charity has faced considerable challenges following the Covid-19 outbreak with restrictions placed on its charitable activities, staff movement and tenants' premises. In response, the Charity reduced its costs wherever possible including using the government's furlough scheme, adapted its operations and provided support to its staff and tenants. Helpfully, the Charity had been taking steps to build up its cash reserves which improved its resilience during recent months.

The Charity held long leasehold properties at 31 March 2022 with a balance sheet value of £14.6 million These properties are owned by the Roger De Haan Charitable Trust and leased to Creative Folkestone at a peppercorn rent for 125 years. These properties provide a rental income for the Charity which it uses to satisfy its charitable objectives.

However, these properties may only be rented for creative and educational purposes, and the capital value may never be realised by the Charity.

The high level of restricted funds shown in the balance sheet as at 31 March 2022 relates principally to the Charity's properties in the Creative Quarter rather than available cash resources.

The organisation is managed in a qualitative way. It has an agreed set of delivery objectives with the Arts Council and therefore focuses its performance to ensure the achievement of these outcomes. In addition, it has in place a limited number of high level financial KPI's and ensures through its reporting and governance structures that these objectives are scrutinised.

Reserves policy

Since the establishment in 2002 of Creative Folkestone, the Charity had been in the development phase of addressing its charitable objectives. During this period, the Charity had not sought to build its reserves, aside from those represented as property assets.

More recently the Charity has sought to build a cash reserve in addition to its property assets. It aims to maintain positive cash reserves over the next 10-year period. A risk-based assessment of need has set a target range of between £250,000 and £400,000 for its free reserves.
The figure has a ceiling raised temporarily in anticipation of a difficult economic environment. Current non-designated reserves are £507,000, and given current uncertainty considered to be acceptable.

The reserves are set out in Note 21 to the financial statements. Restricted funds are subject to specific terms and conditions declared by the donor(s) and are only used for the purposes for which they are given.

Designated funds

In preparation for the Folkestone Triennial the Board will seek to designate reserves to future Triennials in the years between exhibitions. The cost of a Triennial is circa £2,100,000.

The Trustees have designated a total of £475,875 (£83,000 to Triennial 2021, £100,000 to the cost of living reserve, £50,000 (£7,125 of which was spent during 2022) to the Charity's 20th anniversary events and £250,000 to Triennial 2024).

Investment policy

The Charity's surplus funds are presently held on cash deposit.

Principal risks and uncertainties

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Regular formal trustee and management meetings are held to review progress towards achieving the Charity's objectives and to promote strategic direction within the operation. The Senior Management Team regularly addresses the full risk schedule identified by the Trustees and puts in place procedures and controls so as to ensure those risks are adequately managed. The principal risks are a) economic downturn and Covid related uncertainty, b) loss of key Board members and staff and c) failure to hit earned income and fundraising targets. The mitigating actions are identified in the business plan, including ensuring necessary reserves, good property management, succession planning and investment in the fundraising team. The Charity had in place a contingency plan which proved its worth during Covid-19 restrictions, with operations transitioning smoothly to a home working environment for all staff.

Equal opportunities and diversity policy

The Trustees recognise that ensuring equal opportunities for all is an integral part of good practice within the workplace and Creative Folkestone remains committed to its comprehensive Equality and Diversity Policy.

The charity ensures that the buildings it occupies comply fully with the statutory regulations in place in relation to disabled access.

Auditor

RSM UK Audit LLP was appointed auditor to Creative Folkestone in accordance with section 485 of the Companies Act 2006 and has indicated its willingness to continue in office.

Strategic report

The matters which the Trustees deem to be of strategic importance have been included within the Report of Trustees on pages 1 to 3 in accordance with section 414c(11) of the Companies Act 2006.

This Report was approved by the Board of Trustees on 6 December 2022 and signed on their behalf, by:

Sir Roger M De Haan – Chair of Trustees

CREATIVE FOLKESTONE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Creative Folkestone for the purposes of company law) are responsible for preparing the Strategic Report, Report of the Trustees 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 those financial statements, the Trustees are required to:

a. select suitable accounting policies and then apply them consistently;

b. observe the methods and principles in the Charities SORP;

c. make judgements and accounting estimates that are reasonable and prudent;

d. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and;

e. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE FOLKESTONE

Opinion on financial statements

We have audited the financial statements of Creative Folkestone (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of Trustees, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Report of Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Report of Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011 and the charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of Trustees and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and tenancy laws. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls and as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Nicholas Sladden (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP
Statutory Auditor, Chartered Accountants
25 Farringdon Street
London, EC4A 4AB

09/12/22

CREATIVE FOLKESTONE

Statement of Financial Activities (Including Income and Expenditure Account)

For the year ended 31 March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Income from:					
Donations and legacies	**3**	11,165	1,713,500	1,724,665	1,197,305
Charitable activities	**4**	2,415,720	725,297	3,141,017	2,379,013
Other trading activities	**5**	66,381	-	66,381	7,540
Investments	**6**	618	-	618	1,940
Other income	**7**	-	-	-	75,451
Total income		2,493,884	2,438,797	4,932,681	3,661,249
Expenditure on:					
Charitable activities	**8**	2,842,299	1,039,854	3,882,153	2,272,339
Other trading activities	**11**	31,843	-	31,843	99
Total expenditure		2,874,142	1,039,854	3,913,996	2,272,438
Net (expenditure)/income and net movement in funds		(380,258)	1,398,943	1,018,685	1,388,811
Total funds at 1 April		1,631,368	18,159,885	19,791,253	18,402,442
Total funds at 31 March		1,251,110	19,558,828	20,809,938	19,791,253

CREATIVE FOLKESTONE

Balance Sheet

At 31 March 2022

Company Registration Number: 04566484

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	**15**	19,784,751	18,385,808
Heritage assets	**16**	53,400	53,400
Investments	**17**	1	1
		19,838,152	18,439,209
Current assets			
Debtors	**18**	290,386	447,917
Cash at bank and in hand		1,096,468	1,525,049
		1,386,854	1,972,966
Creditors: amounts falling due within one year	**19**	(415,068)	(620,922)
Net current assets		971,786	1,352,044
Net assets		20,809,938	19,791,253
Funds			
Unrestricted funds	**22**	1,251,110	1,631,368
Restricted funds	**22**	19,558,828	18,159,885
Total funds		20,809,938	19,791,253

The financial statements on pages 21 to 37 were approved by the board and authorised for issue on 6 December 2022 and signed on its behalf by:

Sir Roger M De Haan – Chair of Trustees

CREATIVE FOLKESTONE

Statement of Cash Flows

For the year ended 31 March 2022

	Notes	2022 £	2021 £
Cash (outflow)/inflow from operating activities:			
Net cash (used)/generated by operating activities	**24**	(429,199)	296,086
Interest received		618	1,940
Net (decrease)/increase in cash and cash equivalents		(428,581)	298,026
Cash and cash equivalents 1 April		1,525,049	1,227,023
Cash and cash equivalents 31 March		1,096,468	1,525,049
Relating to:			
Cash at bank and in hand		1,096,468	1,525,049

Notes to the Financial Statements For the year ended 31 March 2022

1 Accounting policies

Legal status
The Charity is a company limited by guarantee. The members of the company are the Trustees. 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 Charity's objectives and aims are disclosed in the Report of Trustees.

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention, modified to include certain fixed assets at fair value. The financial statements have also been prepared in accordance with the accounting policies set out in more detail below, to comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019 (the FRS 102 Charities SORP 2019).

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

The Charity constitutes a public benefit entity as defined by FRS 102.

Going concern
The Trustees confirm that at the time of approving the financial statements, there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, and the Charity's reserves position. The Trustees have reviewed in detail the Charity's position and the appropriate basis on which to prepare the financial statements.

The Trustees anticipate that there will be significant adverse impacts on many income streams due to the cost-of-living crisis. The full impact cannot presently be estimated with total certainty, but the stress testing of the Charity's financial position has satisfied the Trustees that it has adequate reserves and mitigation strategies available to deal with the issue as it unfolds. The cash position is strong, the charity has no debt, the rental income has so far held up well. It is anticipated that funding from the Arts Council will be secured for the next three years. The Trustees recognise that 2022/2023 will be another challenging year and have structured the budget accordingly while assessing what further actions can be taken if needs be and they have concluded that it remains appropriate to prepare the financial statements of the Charity on the going concern basis.

Consolidation
The financial statements present information about the Charity as an individual undertaking and not about its group. The Charity has taken advantage of section 402 of the Companies Act 2006 not to prepare consolidated financial statements as the directors consider that the Charity's subsidiary may be excluded from consolidation as it is immaterial for the purpose of a true and fair view.

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.

Donated facilities and gifts in kind are included at the value to the Charity where this can be quantified, and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

1 Accounting policies (continued)

Income from government and other grants, whether 'capital' grants relating to tangible fixed assets 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.

Expenditure
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Governance costs include those costs incurred in the governance of the Charity and are primarily associated with constitutional and statutory requirements.

Support costs represent finance, administration and other indirect central costs. The support costs have been allocated in proportion to the direct costs incurred in respect of each activity.

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 Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Heritage assets
Metropole:
This comprises artworks that were collected through the Metropole Arts Centre that are owned by the Charity. This artwork is recognised as a heritage asset for the purposes of these financial statements, in accordance with the Charities SORP Section 18, since it is held and maintained principally for its contribution to knowledge and culture. The Trustees valued this artwork at £53,400 based upon valuations for various parts of the collection. The Trustees do not believe that the value of the artwork has changed.

Art Buff:
The Charity owns the Banksy artwork known as "Art Buff". This artwork is recognised as a heritage asset for the purposes of these financial statements, in accordance with the Charities SORP Section 18, since it is held and maintained principally for its contribution to knowledge and culture. It is included at zero net book value since information on its value is not available and a reliable estimate cannot be made of the asset's fair value. Furthermore, it is considered that the asset has no monetary value to the Charity, because the Charity considers that it would not be appropriate to sell the asset.

Taxation
Creative Folkestone is a registered Charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

1 Accounting policies (continued)

Tangible fixed assets
Tangible fixed assets are stated at cost less depreciation and impairment losses. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	50 years straight line
Long leasehold	straight line over life of lease
Leasehold improvements	straight line over life of lease
Plant and machinery	15 – 33% on cost straight line
Computer equipment	33% on cost straight line
Fixtures and fittings	15% on cost straight line

A full year of depreciation is charged in the year of purchase and no depreciation is charged in the year of disposal.

At each reporting end date, the Trustees review the carrying amounts of its freehold and leasehold assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, with original maturities of three months or less, and bank overdrafts.

Financial instruments
The charitable company applies the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument and are offset only when the charitable company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets, including trade and other receivables (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at transaction price and subsequently measured at amortised cost, being the transaction price less amounts settled and any impairment losses.

Basic financial liabilities, including trade and other payables are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

1 Accounting policies (continued)

Agency Arrangements

The charity acts as an agent in the administering of the Great Place Scheme Pioneering Places: East Kent Fund for the National Lottery Heritage Fund. Related payments received from the National Lottery Heritage Fund and subsequent disbursements to other partners within the scheme are excluded from the statement of financial activities to the extent that the charity does not have a beneficial interest in the individual transactions.

Payments received which relate to the Charity's share of the Great Place Scheme Pioneering Places are recognised in the statement of financial activities.

Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Accounting estimates and areas of judgment

In application of the Charity's accounting policies, the Trustees are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgments

Heritage assets

The carrying value of the heritage assets, as valued by the trustees, is considered to be a key area of estimation.

3 Donations and legacies

	2022 £	2021 £
Restricted		
Roger De Haan Charitable Trust:		
Transfer of leasehold properties	1,647,500	1,150,000
Folkestone Festivals Fund	66,000	14,000
Total restricted	1,713,500	1,164,000
Unrestricted		
McAlpine donation	-	40,000
Eurotunnel donation	6,000	-
Other	5,165	(6,695)
Total unrestricted	11,165	33,305
Total donations and legacies	1,724,665	1,197,305

4 Charitable activities

	Rental income	Grants	Other sources of income	Total
	£	£	£	£
Creative Quarter	1,419,996	-	-	1,419,996
Folkestone Triennial	-	-	604,710	604,710
Folkestone Artworks	-	-	142,189	142,189
Quarterhouse	7,593	128,000	70,990	206,583
Arts Programme Festivals and events	-	-	6,744	6,744
Learning & Engagement	-	-	12,602	12,602
Great Place Scheme	-	89,222	-	89,222
Development	-	264,360	394,611	658,971
2022 Total activities	**1,427,589**	**481,582**	**1,231,846**	**3,141,017**
2021 Total activities (as restated)	**1,277,181**	**761,447**	**340,385**	**2,379,013**

Of the £3,141,017 income received in the period to 31 March 2022, £725,297 was attributable to restricted funds and £2,415,720 was attributable to unrestricted funds.

Of the £2,379,013 income received in the period to 31 March 2021, £93,382 was attributable to restricted funds and £2,285,631 was attributable to unrestricted funds.

The 2021 comparatives have been restated to reallocate £214,590 of income from other sources of income to rental income as it is considered to better reflect the nature of the income.

5 Other trading activities

	Unrestricted 2022	2021
	£	£
Bar income	32,390	285
Other sundry income	33,991	7,255
	66,381	7,540

6 Investments

	Unrestricted 2022	2021
	£	£
Deposit account interest	618	1,940

7 Other income

	Unrestricted 2022	2021
	£	£
Government grants	-	75,451

Grants received in the prior year represent amounts received in respect of contributions towards staff salary costs under the coronavirus job retention scheme.

8 Charitable activities

	Direct Costs	Grants payable	Support costs	Total
	£	£	£	£
Creative Quarter	1,094,098	-	153,500	1,247,598
Arts programme festivals and events	74,257	66,000	12,122	152,379
Folkestone Triennial	1,187,674	-	193,886	1,381,560
Folkestone Artworks	151,619	-	24,752	176,371
Quarterhouse	455,314	-	174,271	629,585
Learning & Engagement	70,235	-	11,466	81,701
Great Place Scheme	89,222	-	14,565	103,787
Development	109,172	-	-	109,172
2022 Total activities	3,231,591	66,000	584,562	3,882,153
2021 Total activities	1,743,820	14,000	514,519	2,272,339

Of the £3,882,153 charitable activities expenditure in the period to 31 March 2022, £1,039,854 was attributable to restricted funds and £2,842,299 was attributable to unrestricted funds.

Of the £2,272,339 charitable activities expenditure in the period to 31 March 2021, £346,759 was attributable to restricted funds and £1,925,580 was attributable to unrestricted funds.

9 Grants payable

	Unrestricted 2022	2021
	£	£
Arts programme festivals and events	66,000	14,000

10 Support costs

Support costs represent finance, administration, and other indirect central costs. The support costs have been allocated in proportion to the direct costs incurred in respect of each activity excluding depreciation and gifts in kind.

11 Other trading activities

	Unrestricted 2022	2021
	£	£
Bar expenditure	31,843	99
	31,843	99

12 Auditor's remuneration	2022 £	2021 £
Audit services – statutory audit of the charity	21,500	18,500
Other services:		
Auditor's non-audit services	5,500	2,500
	27,000	21,000

13 Net income	2022 £	2021 £
This is stated after charging/(crediting):		
Government grants	-	(75,451)
Depreciation	248,557	240,416

14 Staff costs and remuneration of key management personnel	2022 £	2021 £
Wages and salaries	845,086	627,688
Social security costs	69,712	56,815
Other pension costs	65,672	59,839
	980,470	744,342

The average monthly number of employees during the year was as follows:	2022 no.	2021 no.
Creative Quarter	4	3
Arts programme festivals and events	1	1
Development	2	2
Marketing	3	2
Learning and engagement	1	1
Management and administration	5	5
Quarterhouse	4	3
Triennial	5	-
Visitor Experience	7	3
	32	20

The number of employees whose emoluments for the year fell within the following bands was:

£70,001 - £80,000	-	1
£80,001 – £90,000	1	-
	1	1

All employees earning more than £60,000 in the current and previous year participated in the pension scheme. Contributions for the year totalled £11,308 (2021: £11,086).

14 Staff costs and remuneration of key management personnel (continued)

The Chief Executive Officer, Mr A Upton, was also a member of the Board of Trustees during the year and received remuneration and benefits for his services in that office, through an employment contract with the Charity, of £80,015 (2021: £78,106) and pension contributions for the period of £11,308 (2021: £11,086). Mr A Upton was also reimbursed expenses in his role as Chief Executive Officer.

The Deputy Chief Executive Officer, Mrs F Kingsman received remuneration and benefits for her services in that office, through an employment contract with the Charity, of £51,000 (2021: £50,000) and pension contributions for the period of £5,100 (2021: £5,000).

The Charity considers its Board of Trustees, including the Chief Executive and deputy Chief Executive Officer, as their key management personnel. No other members of the key management personnel received remuneration during the current period or previous year.

Notes to the Financial Statements (continued)
For the year ended 31 March 2022

15 Tangible fixed assets	Freehold property £	Long leasehold £	Leasehold improvements £	Plant and machinery £	Furniture & Fixtures £	Computer equipment £	Total £
Cost							
1 April 2021	5,992,909	14,077,451	854,378	129,223	9,595	24,978	21,088,534
Additions	-	1,647,500	-	-	-	-	1,647,500
	5,992,909	15,724,951	854,378	129,223	9,595	24,978	22,736,034
Depreciation							
1 April 2021	1,382,283	1,050,464	106,183	129,223	9,595	24,978	2,702,726
Charge for the year	119,857	121,811	6,889	-	-	-	248,557
31 March 2022	1,502,140	1,172,275	113,072	129,223	9,595	24,978	2,951,283
Net book value							
31 March 2022	4,490,769	14,552,676	741,306	-	-	-	19,784,751
31 March 2021	4,610,626	13,026,987	748,195	-	-	-	18,385,808

16 Heritage assets	Total £
Market value	
At 1 April 2021 and 31 March 2022	53,400
Net book value	
At 1 April 2021 and 31 March 2022	53,400

17 Fixed asset investments	Shares in group undertakings £
Market value	
At 1 April 2021 and 31 March 2022	1
Net book value	
At 1 April 2021 and 31 March 2022	1

The Charity's investment at the balance sheet date was held in the following company:

	Registered Office	Class of share	% held Directly	% held Indirectly	Nature of business
The Creative Foundation (Trading) Limited	Quarterhouse, Mill Bay, Folkestone, Kent CT20 1BN	Ordinary A	100%	-	Dormant

18 Debtors: amounts falling due within one year	2022 £	2021 £
Trade debtors	40,002	57,251
Other debtors	42,962	37,642
VAT	-	12,415
Prepayments and accrued income	207,422	340,609
	290,386	447,917

Notes to the Financial Statements (continued)
For the year ended 31 March 2022

19 Creditors: amounts falling due within one year	2022 £	2021 £
Trade creditors	95,936	182,266
Amounts owed to group undertakings	647	647
Social security and other taxes	9,878	-
Other creditors	139,322	139,135
Accruals	70,020	42,003
Deferred income (note 19a)	99,265	256,871
	415,068	620,922

19a Deferred income	2022 £	2021 £
Deferred income as at 1 April	256,871	63,365
Income received requiring deferment	99,265	256,871
Release of income during the year	(256,871)	(63,365)
Deferred income as at 31 March	99,265	256,871

Deferred income of £41,695 (2021: £69,796) represents income received in advance for property rentals, £57,570 (2021: £187,075) represents income received in advance in relation to grants.

20 Pension

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £65,672 (2021: £59,839). The total contributions outstanding at the year-end were £nil (2021: £6,368).

Notes to the Financial Statements (continued)
For the year ended 31 March 2022

21	Analysis of net assets between funds – 31 March 2022	Unrestricted funds £	Restricted funds £	Total Funds 2022 £	Total funds 2021 £
	Fixed assets	279,323	19,558,828	19,838,151	18,439,208
	Investments	1	-	1	1
	Current assets	1,386,854	-	1,386,854	1,972,966
	Current liabilities	(415,068)	-	(415,068)	(620,922)
		1,251,110	19,558,828	20,809,938	19,791,253

	Analysis of net assets between funds – 31 March 2021	Unrestricted funds £	Restricted funds £	Total Funds 2021 £	Total funds 2020 £
	Fixed assets	279,323	18,159,885	18,439,208	17,529,624
	Investments	1	-	1	1
	Current assets	1,972,966	-	1,972,966	1,607,716
	Current liabilities	(620,922)	-	(620,922)	(734,899)
		1,631,368	18,159,885	19,791,253	18,402,442

22	Movement in funds	At 31 March 2021 £	Net movement in funds £	At 31 March 2022 £
	Unrestricted funds			
	General fund	515,885	44,306	560,191
	Designated funds	895,000	(419,125)	475,875
	Freehold property	220,483	(5,439)	215,044
		1,631,368	(380,258)	1,251,110
	Restricted funds			
	Freehold and leasehold properties	4,384,705	(119,857)	4,264,848
	Leasehold properties	13,775,180	1,518,800	15,293,980
		18,159,885	1,398,943	19,558,828
	Total funds	19,791,253	1,018,685	20,809,938

The Trustees have designated a total of £475,875 (£83,000 to Triennial 2021, £100,000 to the cost of living reserve, £50,000 (£7,125 of which was spent during 2022) to the Charity's 20th anniversary events and £250,000 to Triennial 2024).

22 Movement in funds (continued)

Net movement in funds, included in the above, are as follows:

	Income	Expenditure	Transfer	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	2,493,884	(2,081,518)	(368,060)	44,306
Designated funds	-	(787,185)	368,060	(419,125)
Freehold property	-	(5,439)	-	(5,439)
	2,493,884	(2,874,142)	-	(380,258)
Restricted funds				
Folkestone Triennial	601,500	(601,500)	-	-
Folkestone Artworks	98,797	(98,797)	-	-
Quarterhouse	25,000	(25,000)	-	-
Freehold Property	-	(119,857)	-	(119,857)
Leasehold Properties	1,647,500	(128,700)	-	1,518,800
Arts Programme Festivals & Events	66,000	(66,000)	-	-
	2,438,797	(1,039,854)	-	1,398,943
Total funds	4,932,681	(3,913,996)	-	1,018,685

Details on funds are as follows:

Folkestone Triennial — 3 yearly public contemporary arts exhibition held in Folkestone.

Folkestone Artworks — Maintenance of contemporary artwork left in situ after the Folkestone Triennial.

Quarterhouse — The ownership and operation of the Quarterhouse Performing Arts Centre.

Freehold Property — Represents grants received by the Charity for capital projects. These are depreciated over the estimated useful economic life of the asset the grant was used to purchase.

Leasehold properties — Represents the transfer of leasehold properties from the Roger De Haan Charitable Trust to the Charity.

Arts Programme Festivals & Events — Festival ticket and fundraised income.

Designated funds — The Trustees have designated a total of £475,875, full details are disclosed on page 35.

23 Related party disclosures

The Roger De Haan Charitable Trust (RDHCT), a Charity which Sir Roger De Haan is a Trustee, donated leasehold properties valued at £1,647,500 (2021: £1,150,000), made a payment of £98,797 (2021: £39,182) to the Folkestone Artworks and a grant of £311,000 (2021: £ nil) for the Folkestone Triennial.

At the year end, the Charity owed £647 (2021: £647) to its subsidiary, The Creative Foundation (Trading) Limited.

Details of trustees' remuneration and benefits can be found in note 14.

24 Net cash flow from operations

	2022 £	2021 £
Net surplus for the year	1,018,685	1,388,811
Depreciation	248,557	240,416
Interest received	(618)	(1,940)
Decrease/(increase) in debtors	157,531	(67,224)
Decrease in creditors	(205,854)	(113,977)
Donated assets	(1,647,500)	(1,150,000)
Net cash (outflow)/inflow from operating activities	(429,199)	296,086

25 Agency arrangements

The charity administers the disbursement of the grants due to the partners of The Great Place Scheme Pioneering Places: East Kent, on behalf of National Lottery Heritage Fund. In the year, amounts were received totalling £505,214 (2021: £267,532). At the year end, a balance of £nil (2021: £91,359) was held by the charity. The scheme ended in November 2021 and did not generate any further arrangements.

CREATIVE FOLKESTONE

England & Wales - Charity number 1105174

Accounts

Company Registration Number: 04566484
Charity Registration Number: 1105174

CREATIVE FOLKESTONE

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2021

Strategic 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 audited consolidated financial statements of Creative Folkestone for the year ended 31 March 2021.

The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". As Creative Folkestone is a company limited by guarantee, the report and statements also comply with the Companies Act 2006.

Pages 1 to 3 comprise the Strategic Report as required by company law, as well as providing the information required by SORP for the Trustees' Annual Report.

Reference and administrative details

Registered company number	04566484 (England and Wales)
Registered charity number	1105174 (England and Wales)
Registered office	Quarterhouse Mill Bay, Folkestone Kent CT20 1BN
Trustees	Sir Roger De Haan (Chair) Cathy Beare Lady Alison De Haan Sir Stephen Deuchar CBE Rachel Higham (Resigned 8 September 2020) Paul Hudson Andrew Ironside Timothy Llewellyn OBE (Retired 29 June 2020) Trevor Minter OBE DL The Earl of Radnor Vanessa Stone (Appointed 8 March 2021) Alastair Upton Grahame Ward
Chief Executive	Alastair D Upton
Deputy Chief Executive	Fiona J Kingsman
Company Secretary	Angela C Ludlow
Auditor	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
Solicitors	Withers LLP 16 Old Bailey, London EC4M 7EG
Bankers	NatWest Bank Folkestone Branch, Europa House 49 Sandgate Road Folkestone Kent CT20 1RU
Website	www.creativefolkestone.org.uk

Strategic Report
For the year ended 31 March 2021

Objectives and activities

Established in 2002, Creative Folkestone is an arts charity dedicated to producing and enabling the very best creative activity to help transform Folkestone and the surrounding area of Kent. Working with the people of Folkestone, our partners and other stakeholders, we aim to make the town a better place to live, work, play, study and visit.

The Charity's objectives, as set out in the governing document, are "The fostering of knowledge and appreciation of art, music and literature; the relief of poverty by assisting individuals who are in need, in particular by assisting artists to become self-supporting through their art; the provision of facilities in the interests of social welfare for the inhabitants of Folkestone and the surrounding district; the promotion of regeneration in areas of social and economic deprivation."

Creative Folkestone believes that everyone is creative and that creativity has the power to change people and places for the better. With a passion for creativity at its heart, the Charity will enable people's creativity to flourish, enriching the town and those who live in, or visit it, and transform Folkestone's reputation.

All our Board and staff are committed to enabling the very best work to be created. We always appoint skilled and ambitious curators and programmers who are empathetic to art, artists, place and community. Creativity drives the goals we set ourselves in early 2012 and continue to guide the organisation:

Goal 1: Creatively engage the people of Folkestone
Goal 2: Creatively transform the look of Folkestone
Goal 3: Creatively change the economy of Folkestone
Goal 4: Change the reputation of Folkestone as a creative town
Goal 5: Create a sustainable Creative Folkestone

A principal focus for the Charity in achieving these goals is the development of the Creative Quarter, in the historic old town area of Folkestone, through a process of property acquisition, refurbishment and letting. The Charity benefits from a collaboration with the Roger De Haan Charitable Trust (RDHCT), which shares many of the Charity's goals. Typically, RDHCT funds the acquisition and refurbishment costs of properties and after the renovation works are complete, leases them to the Charity on a long term basis at a peppercorn rent. Creative Folkestone then proceeds to let the refurbished property at affordable rates to artists, education providers and a wide range of creative organisations.

Creative Folkestone has a remarkable record of success having already transformed the most run down part of Folkestone. Around ninety buildings have been restored in the Creative Quarter and the area is populated by artists and creative industries and is home to education, study and research. We use the Quarterhouse, our performance venue that we built in 2008, to stage our annual Folkestone Book Festival and a full programme of music, theatre, dance and comedy. The area has been animated by four internationally acclaimed Folkestone Triennials when we commissioned site specific artworks to be exhibited in the public realm around the town. After each show we arranged for many of the exhibits to be added to Folkestone Artworks which have then been kept on permanent display with financial support provided by The Roger De Haan Charitable Trust. As the collection has grown, so has Folkestone's reputation as a unique destination for those who enjoy contemporary art.

The Charity continues to work with a range of public and private sector organisations on a number of strategically important initiatives which are helping us to have a profound regenerative impact on the community.

The creative transformation of Folkestone is being achieved through the five core projects developed and managed by Creative Folkestone: the Creative Quarter, Quarterhouse, Folkestone Book Festival, Folkestone Triennial and Folkestone Artwork all these initiatives are underpinned by our Learning and Engagement programme and our digital programme, Digital:glassworks.

Public benefit

The Charity's Trustees have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance (PB1, PB2 and PB3) published by the Charity Commission. They are aware of the public benefit requirement, its implications for charities and their duty to report how they have carried out the Charity's purposes for the public benefit, and take the public benefit guidance into account when making decisions.

The Charity's particular public benefit activities are included under Achievements and Performance. Our activities, particularly our Learning and Engagement work and co-produced festivals, are deeply embedding Creative Folkestone in the local community. Folkestone Triennial, and many other activities, are free of charge to the public.

The Charity continues to contribute to the overall social and economic regeneration of deprived areas in Folkestone through the advancement of the arts, culture, heritage and education and the establishment of a community of over 600 creative individuals and businesses.

Structure, governance and management

The Charity is a company limited by guarantee with no share capital, and a registered charity. The Charity's memorandum and articles of association are the primary governing documents of the Charity.

Creative Folkestone has a supportive Board of highly skilled and committed Trustees. During the year the Trustees were those set out on page 1. Trustees are also members of the Charity. The Trustees have complied with the duties described under the Charities Act 2011, and with proper regard to the guidance published by the Charity Commission.

The Creative Folkestone Board provides the statutory governance and also governance over artistic vision and quality. The Board is supported by four Sub Committees which oversee Management, Visual Arts, Performing Arts, Learning and Engagement and Creative Quarter Regeneration, and report back their recommendations to the main Board.

New Trustees are appointed by the Board. An induction process is carried out whereby the proposed Trustee is given a copy of the constitution, audited accounts and copies of trustee meeting minutes, together with the Charity Commission's published guidelines for charity trustees. The new Trustee is also given a detailed tour of the Creative Quarter and an introduction to all the projects being undertaken by the Charity.

Although there is no formal training policy in place, the Trustees are encouraged to participate in training programmes either through their principal employer or through participation in ad hoc training courses.

Key management personnel and pay policy

The Charity considers its key management personnel to be its Board of Trustees, the Chief Executive and the Deputy Chief Executive. The remuneration is set annually in accordance with the pay policy, with any changes taking effect from the 1st April each year. The Chief Executive and the Deputy Chief Executive are the only paid key management personnel. The pay policy for the Chief Executive and the Deputy Chief Executive is the same as for other staff.

This Strategic Report was approved by the Board of Trustees on 29th November 2021 and signed on their behalf by:

Sir Roger M De Haan – ~~Chair of Trustees~~

Achievements and performance

Creative Folkestone overview

This financial year started with the Covid-19 pandemic hitting hard with an instant and catastrophic effect. Creative Folkestone immediately shut down and moved to remote working, closing our buildings to the public and our audiences.

We immediately assessed the situation and considered the huge impact the pandemic would have on the organisation. A new year plan and budget was drafted taking into account the newly arisen circumstances. We then moved swiftly to react and put plans in place.

Throughout the year we were able to maintain very high levels of activity in spite of Covid and all the restrictions it brought. This is a clear demonstration of organisational strength which allowed us to respond in a considered and appropriate way.

Reflecting on the year, we can see that Covid provided a stimulus for innovation and creativity in a time of great difficulty. We were fortunate in gaining some additional financial support which demonstrates Creative Folkestone's resilience and the strength of its business model.

In the first instance we supported Creative Quarter tenants, offering financial support, advice and signposting them towards available emergency funds. Despite initial grave concerns for our tenants and their businesses, as a result of our financial and business support and their own resilience, the majority were able to weather the storm and our occupancy remaining high throughout the year.

We streamlined our workforce making some positions redundant whilst other members of staff were placed on furlough.

Our planned performing and visual arts programme had to be completely revised and we worked hard to deliver an online programme for the first part of the year when there was a strict lockdown in place. We quickly made the decision to postpone Folkestone Triennial 2020 and Folkestone Book Festival 2020.

However, from September 2020 to the end of the calendar year, we developed an exceptional programme of performing and visual arts and community engagement through our Plinth Project, Autumn Reads and Christmas in the Quarter programmes. This was all delivered remotely but we were also able to safely engage with our local community directly, encouraging them to get out and about and enjoy the artworks, to 'get creative' and to appreciate their local environment.

From January 2021 we moved our focus to reopening Quarterhouse and to delivering the rescheduled Book Festival in June 2021 and Triennial in July 2021. We were also delighted to be able to offer space in the empty Quarterhouse to artists, creatives and designers to develop, experiment with and show their work through our development programme entitled *Open Sesame*.

Our digital endeavours accelerated exponentially with all programming, communications and marketing focussed on digital output. We offered a broad range of virtual activities online including book clubs, films, documentary screenings, comedy performances and educational activities. With additional funding from BBC Space R&D, we were able to upskill our technical and production staff to produce a virtual literary festival; Autumn Reads to celebrate the work of Derek Jarman. The festival included the commissioning and production of two original films. Appetite for digital content from our audiences grew with an increase of followers on all channels of between 40% and 50%.

In light of the Covid-19 emergency, Arts Council England (ACE) launched a number of measures to support the arts and culture sector. Creative Folkestone applied for the second round of the ACE Cultural Recovery Fund. We were informed that we had been successful with our application in September 2020 and were awarded £237,539 for the period from October 2020 to March 2021.The grant was to support a programme of engagement in the community during lockdown and to reopen Quarterhouse in a Covid safe way.

In April 2020, ACE also offered help to National Portfolio Organisations (NPOs) by announcing a relaxation of their reporting requirements for the first six months of the year and offering advance payments. The planned application process for the next four-year grant round for 2022-2026 was postponed and the current portfolio extended for another year until 2023.

Activities for the EU Interreg North Sea Region programme, CUPIDO, were largely put on hold during the lockdown months. This three-year grant had brought together 16 partners from 7 countries to share their resources, knowledge and expertise for promoting the digitalisation of the cultural sector. Funding includes a contribution to the cost for the establishment of the digital hub digital:glassworks, the production of a digital artwork and provided support to SME's to adapt digital technologies to promote their businesses.

After careful consideration including the view of all 16 partners it was decided to apply for a 6-month project extension in April. This was granted by the EU and the project will now continue until the end of February 2022. The project gained momentum again in September 2020 with the start of virtual meetings during which the impact of the Covid-19 crises in the different countries was discussed as well as areas for future collaboration.

The Paul Hamlyn Foundation awarded a grant of £19,700 to support the digital adaptation of our Learning and Engagement Programme in response to the Covid-19 pandemic and contributed to the costs of *The Plinth, Autumn Reads* and *Christmas in the Quarter.* As a recipient of the grant we were also given paid-for support to develop an evaluation framework to assess the success of the adaption of these activities. The analysis will help us to identify, plan and manage new ways of delivering future programmes.

The Board of Trustees would like to express their appreciation for the continued generosity of its benefactors including Kent County Council (KCC), ACE, Folkestone and Hythe District Council (FHDC), EU Interreg North Sea Programme, Paul Hamlyn Foundation, Henry Moore Foundation, Cate Olson and Nash Robbins via the Rockefeller Philanthropy Fund and the BBC Space R&D Fund for their funding and in-kind assistance with the work of the charity.

The Board of Trustees would like to convey their special thanks to the Trustees of the Roger De Haan Charitable Trust (RDHCT) for their continued support for the work of Creative Folkestone.

The Board of Trustees would also like to express their appreciation for the dedication and hard work of both the Charity's staff and its committee members. Their flexibility and willingness to adapt to swiftly changing conditions due to the Covid-19 pandemic have made an invaluable contribution to what can only be described as an unprecedented and challenging year.

Creative Quarter

The Creative Quarter is the cultural heart of Folkestone where a community of over six hundred creative people live and work. It is made up of over ninety restored buildings that house residential flats, studios, offices and shops. The area is populated by artists and is home to many creative businesses and individuals who have created hundreds of jobs which has helped to rejuvenate the local economy.

The businesses in the Creative Quarter were hit hard by the restrictions of the Covid-19 pandemic as they had to close their shops and studios. Some had to decrease or even stop trading for most of the year. We were able to offer support to our tenants through rent reduction which helped many survive a year of little or no trading.

Enquiries for properties started to increase with the easing of Covid-19 restrictions and Creative Quarter occupancy at the end of March 2021 was at 93.9% excluding digital:glassworks, which was at 60.5%. A new digital:glassworks tenant moved in at the end of the year which has resulted in an increase in occupancy to about 85%.

The Creative Quarter Phase III building work progressed during the period. The refurbishment of the two buildings in Tontine Street/Old High Street were completed by the Roger De Haan Charitable Trust in July and November 2020 respectively. The buildings were then leased to Creative Folkestone for a peppercorn rent. An additional bonus is that one of the buildings now displays Banksy's 'Art Buff' on its wall. Demand for the new residential properties has been high resulting in a swift uptake of all available flats and commercial space showed about 50% occupancy by the end of March 2021.

Work on the Mill Bay Cabins continues and is anticipated to be completed during financial year 2021/22. There has also been great interest in the rental space they will provide us and by the end of March 2021 all five residential flats and two of the four commercial spaces had been reserved by future tenants.

In July 2020 we officially launched a new project funded by the European Union. Under the umbrella of the *Hi3 Network*, five partners in the South East Local Enterprise Partner (SELEP) region successfully applied to the European Regional Development Fund to bring together SME's and university researchers skilled in applied research in the creative industries. The overall aim was to establish three *Innovation Hubs* in the South East and create a network of specialists experienced in the manipulation of screen-based images for film, television, gaming, advertising and corporate communication. One of the hubs will be based in digital:glassworks and part of the funding will support office costs for one of our partners, the media company Screen South. During the period refurbishment and adaptation works to convert office space into a studio, edit suites and co-working spaces has been completed which enabled Screen South to move in for the duration of the project.

At the beginning of the first lockdown, Creative Folkestone partnered with South East Creatives (SECCADS) to support local creatives to deliver a digital content programme. SECCADS is a European Union funded business support programme tailored to meet the needs of the cultural, creative and digital sector. It is headed by Thurrock Council and Creative Folkestone is one of four regional hubs in the South East which drives the local delivery of the programme.

During the first six months of 2020/2021, our marketing and communications team delivered a digital content programme to help businesses to use digital solutions to adapt to the lockdown restrictions. They supported the streaming of 13 talks via Facebook, which were then posted on the Creative Folkestone YouTube channel that attracted a total audience engagement of 16,274 clicks to view.

This led to the development of Tech Week in June 2020 that offered a week of online activity exploring digital ideas from the Creative Quarter and the wider artistic community. During Tech Week five webinars, with seven creative professionals, were hosted daily and the videos were streamed via Zoom on Facebook Live, then published on Creative Folkestone's YouTube channel. This programme of activity highlighted a new way of working for the organisation that will inform future communications and programming.

As lockdown restrictions started to ease at the end of the summer, the team focussed on supporting the shops, cafes and businesses in the which were reopening in the Creative Quarter. A short video was produced to reassure visitors and promote the safe reopening of the Creative Quarter. This video content was well received with over 1,000 views on Facebook alone.

At the beginning of December the lockdown restrictions changed again and the team swiftly adapted their marketing and communications to use our *Christmas in the Quarter* programme to keep promoting the Creative Quarter. Our main aim was to encourage people to shop local and to support the small businesses leading up to Christmas.

Throughout December a digital advent calendar was put in place that highlighted businesses and creatives in Folkestone.

Folkestone Artworks

Folkestone Artworks is the largest urban outdoor exhibition of contemporary art in the UK currently consisting of 74 artworks from 46 artists. The exhibition has grown over the years with new work added from Folkestone Triennial artworks.

Part of the Collection is owned by Creative Folkestone however much of it is owned by the Roger De Haan Charitable Trust. Other exhibits are loaned by the artists. The Roger De Haan Charitable Trust pays for the Collection's maintenance, its insurance and contributes to the costs of its co-ordinator.

The exhibition has been a great asset during the Covid-19 pandemic as Folkestone residents and visitors were able to enjoy the outdoor artworks in a safe and pandemic compliant way.

During May and June a group of volunteers was established and trained to assist with looking after the artworks. A proposal was drawn up that set out the framework of the volunteering programme and provided a detailed description of the volunteer role. The opportunity was advertised on Creative Folkestone's website and was promoted through local news, websites and radio stations.

More than ten volunteers were recruited who were assigned to single artworks which they checked daily and report it's condition on a live log. Guided tours were organised for the volunteers to give them a chance to receive comprehensive information about the artworks. The volunteers also provided crucial support during *The Plinth* project as they shared their enthusiasm and knowledge with visitors when stationed at other designated artworks or Mark Dion's *Mobile Gull Appreciation Unit*. The Seagull was placed on the Harbour Arm and functioned as a temporary outdoor visitor centre for Creative Folkestone as Quarterhouse was closed as a result of the first lockdown.

We were delighted to welcome into the collection Banksy's *Art Buff* which was installed in September 2020 on The Old High Street.

Maintenance of the artworks has continued during the year as scheduled and renovations were carried out on Mark Wallinger's *Folk Stones*, Gary Woodley's *Impingement no 66 'Cube Circumscribed by Tetrahedron, Tetrahedron Circumscribed by Cube'*, Pablo Bronstein's *Beach Hut In The Style Of Nicholas Hawksmoor*, Lubaina Himid's *Jelly Mould Pavillion*, Richard Wood's *Holiday Home* and Strange Cargo's *The Luckiest Place on Earth*.

Quarterhouse

Following the closure of Quarterhouse on 17 March 2020, hundreds of live events, festivals and community activities planned for the year were cancelled or postponed.

Where possible we supported the physical relocation of regulars such as the Kent Food Hub's moved to the Brewery Tap, or to online activities for Quarterhouse Book Group, Two Tone Yoga, Strangelove Festival and Folkestone Women's Forum.

During this time we also provided research and development support for Folkestone-based artists and provided help and advice to artists in the Creative Quarter with their applications for ACE funding.

Whenever it was possible our Performing Arts and Learning Team swiftly transferred its programme to digital platforms. A selection of films and the popular monthly Doc Club were moved online with post screening talks taking place via Facebook Live.

Films shown included *The Kingmaker*, *Peanut Butter Falcon*, the Sudanese production *Talking About Trees and* Rubika Shah's award-winning film *White Riot* which charts a vital national protest movement. All films were accompanied by post-screening discussions via Facebook Live attended by up to 100 people.

National Theatre Live, Royal Opera House *Live At Home* events and other online performance including two gigs by Mark Thomas and *Schlomo's Beatbox Adventure* for families were publicised through our communications channels.

When we realised that Quarterhouse would possibly remain closed to the public for an extended period we considered how to make this valuable space available to the community in a safe and Covid-19 compliant way.

In September after careful consideration, we made the strategic decision to offer the auditorium to local creatives and community groups and launched *Open Sesame*. Through this programme the Quarterhouse auditorium was made available to creatives, without charge, as a space for rehearsals, training, research & development, recording, live streaming, small meetings, wigging out or primal screaming, with technical support and assistance from our Performing Arts and Learning Team.

The programme proved to be extremely successful and the auditorium was quickly booked out between September 2020 and the start of second lockdown at the beginning of December 2020. Due to its success and high demand from the creative community to use the Quarterhouse auditorium for their professional development, we made the decision to continue the *Open Sesame* programme even after Quarterhouse reopened to the public.

In November, we launched *Open Sesame: Street* which offered monthly the ground floor windows of Quarterhouse to local artists and creatives to display their work. The Quarterhouse windows, which could be viewed from the pavement, provided passers-by the opportunity to see artwork in a safe outdoor environment whilst walking along Tontine Street.

The Normal? Festival of the Brain was due to take place in May 2020 but migrated online with monthly Weekenders taking place from September through to March. The curatorial team from Living Words, Folkestone Fringe and Creative Folkestone presented most of the programme in a range of new disguises and on a variety of platforms. It included films, hosted talks, workshops and Twitter take-overs. They also went on walks, performed outdoors and livestreamed events on Vimeo, Facebook Live, Zoom and Apps mainly using laptops and smart phones.

For *Christmas in the Quarter*, we marked the festive season by screening giant projections of the film *All Things Grimm* onto the back wall of Quarterhouse. On several dates in December, Payers Park was transformed into a magical winter wonderland. The animated film depicted scenes from the Brother's Grimm Fairy Tales. The film and its soundtrack were made by young people in workshops during October half term lead by local artist Lydia Hibbert and musician Randolph Matthews. The young people's interpretations of the stories through sound and vision were unique and quirky, and brought enjoyment to families and passers-by in the park.

On 18 December, Creative Folkestone invited performers to St Mary & St Eanswythe's Church to take part in a carol concert that was filmed and then shared with audiences live on You Tube. The concert included singers and songwriters who shared their original music and performers read selected pieces of prose and poems. These performances were a welcome and heartfelt expression of Folkestone's creative spirit at a time of adversity.

Another successful series of online events, which took place over three weekend in December, was Stacy Makishi's *Church of the Latter Day Sinners* with 36 one-to-one performances over the telephone. The residency programme was then resurrected in January and continued to take place every Sunday over six weeks on Zoom. The commissioned artist invited the community to a digital Sunday service which offered a different kind of communion where people could come together to share joys and sorrows, do uncool dancing and meditate on what being human in 2021 really meant.

On Saturdays, during these six weeks, Stacy Makishi also welcomed everybody to the accompanying programme *Saturday Night Fever*, a live art show-and-tell club to help people explore their creativity. As a safe space to share and connect with fellow creative spirits, Stacy provided a creative atmosphere that shunned imposter syndrome and welcomes imperfection. In total 480 people participated and the project became international with people zooming in from Latin America, Korea, the US and Canada.

Autumn Reads Festival

Following the postponement of the Folkestone Book Festival, we presented a digital literary festival in November 2020, entitled Autumn Reads, reflecting much of the mood and atmosphere of this strange time. Over four days, the community was invited to come together for a series of events and activities that explored the themes of Jarman's diaries such as memoir, art, activism and gardening. The festival was completely free to attend and reached an audience of almost 70,000 people.

Six talks/discussions and two films were presented online. This allowed the Marketing and Communications and Performing Arts Teams to learn new skills in producing digital arts activity. People taking part in the festival watched the created video content posted on our website and on YouTube.

Leading up to the festival, thanks to investment from the BBC's Space R&D Fund, we were able to record, in collaboration with Screen South, *Strange Concord: Music and Words*. The film was a centrepiece of the festival and combined excerpts of Derek Jarman's *Modern Nature* read by Ben Whishaw with live music by composers Henryk Gorecki and John Zorn. Filmed live at Prospect Cottage in Dungeness, the film premiered online as the highlight of the festival. It was well received and the number of views on YouTube reached 53,555 during the three months it was available online. The production was reviewed on Radio 4, BBC Radio Kent and in *The Evening Standard* and *The Guardian.*

As part of *Autumn Reads*, Creative Folkestone also partnered with local filmmaker Claire Unsworth to create *Folkestone Reads: Modern Nature*. Residents of Folkestone, Hythe and Romney Marsh were invited to take part in this film project which charted the 21 months spanned by a journal from January 1989 to September 1990. The participants read excerpts from *Modern Nature*; this covered themes from gardening and plants to art, film, sexuality, the HIV pandemic, illness and mortality in outdoor locations which had special significance to them. This included Sunny Sands at dawn and the Sound Mirror located at Capel-le-Ferne. The atmospheric film celebrated and recorded local nature and the environment and the diverse community of Folkestone, Hythe and Romney Marsh.

The Plinth

The Plinth project opened on 17 September and ran all the way through to December in lieu of the postponed fifth Creative Folkestone Triennial. It was a project inspired by the return of Banksy's well-known artwork *Art Buff* to the Creative Quarter. When the project closed in December it had been enjoyed by an estimated 70,000 visitors.

The Plinth was an art and community engagement project that celebrated the town's creativity and attracted visitors and locals to visit the Creative Quarter.

Ten empty plinths were placed around Folkestone, in unique outdoor locations, and residents and visitors were invited to find a plinth and use it to display their lockdown creations and special objects. The offer was taken up by many people in inspiring and imaginative ways that included anything from pottery to textiles, painting to mosaics, drawing to woodcarvings. They were then encouraged to take a picture, share it on social media and become part of a big online exhibition using #folkestoneplinth.

Alongside the empty plinths, there were three specially commissioned plinths with works by Folkestone-based artists Malcolm Allen, Maureen Jordan and Tomas Poblete. As the project progressed, a video was made that took a closer look at the commissioned artworks. The film was watched by more than 2,000 people.

September 2020 also saw the launch of the *Performance Plinth* in Payers Park as part of *The Plinth* project. Hythe-based Street Artist, Toze One, designed and installed a graffitied plinth in the park and opened the *Performance Plinth* programme with a weekend of hip hop and scratch DJ workshops for young people.

The performance space then continued to host a curated programme of live music, dance, poetry, theatre, comedy and performance art on most Saturdays and Sundays.

A particular highlight was the celebration of World Mental Health Day on Saturday 10 October 2020 when the team of *Normal? Festival of the Brain* hosted a *Speakers' Corner* which was streamed to online audiences. The mental health charity, East Kent Mind, also presented a variety of performances including a violinist and poetry reading.

The live outdoor events were attended by more than 2,000 people and enabled us to welcome the audiences in a safe environment and support local creatives with a space to showcase and practice their work.

In summary, *The Plinth* project was a great success and attracted 5,000 visitors over the first weekend. At the same time the number of followers on our social media platforms (Facebook, Instagram, Twitter) went up with engagement increasing by 355%.

Creative Folkestone Triennial

During the Covid-19 lockdowns the fabrication of the artworks was postponed and the artists were kept up to date with our plans for the delayed Triennial.

Preparations, including fundraising efforts to raise the balance of the project funding, gathered momentum at the beginning of 2021 with the public announcement of the Triennial's extended dates and the participating artists.

The Creative Folkestone Triennial will present artworks from Assemble, Rana Begum, Sam Belinfante, Stephenie Bergman, Jyll Bradley, Patrick Corillon, Shezad Dawood, Richard Deacon, Diane Dever, Jacqueline Donachie, genuinefake, Gilbert & George, Tina Gverovic, Mariko Hori, Christopher Houghton Budd, Atta Kwami, Morag Myerscough, Jacqueline Poncelet, Pilar Quinteros, Rob and Roberta Smith, Mike Stubbs, Jason Wilsher-Mills, , Winter / Hörbelt, Bill Woodrow and HoyCheong Wong & Simon Davenport & Shahed Saleem / Makespace.

Entitled The Plot, the exhibition will present 27 site-specific artworks in the town's scenic coastal setting that includes 22 new commissions. The title suggests multiple meanings: a 'plot' can be a narrative or conspiracy, but it can also mean a plot of land, or to plot a course or graph; things that are mathematically verifiable.

The artworks will be placed in the public realm along three historic routes associated with passages for the movement of water, blood and goods: St Eanswythe's watercourse; the physician William Harvey's discovery of the circulation of the blood; and Folkestone's industrial road 'The Milky Way'.

The artworks highlight local stories and will try to bridge the gap between the narrative of the place and the reality of urbanism. Although the exhibition refers to narratives set in Folkestone, they raise questions around the universal need to distinguish reality from myth, encouraging viewers to question the gap between fact and fiction, and what 'place-making' really means. Observing the difference between personally verified experience and what is otherwise told or narrated, the fifth Creative Folkestone Triennial urges viewers to consider the voids left behind by 'fake news' and 'post-truths'.

In the lead up to the exhibition the team at Creative Folkestone engages with a number of organisations and institutions involved in the exhibition. These will include residents' associations, churches, schools, charities and museums.

The Team have also been working closely with Folkestone Town Council and, as a result, it decided to organise an accompanying exhibition about the life of William Harvey at Folkestone Museum.

Pioneering Places

Pioneering Places is part of the national Great Place Scheme, an ambitious project that aims to make East Kent an even better place to live, work and visit by exploring heritage, developing civic pride and connecting artists and communities. The four projects in Canterbury (The Marlowe Theatre), Dover (The Land Trust), Folkestone (Creative Folkestone) and Ramsgate (Turner Contemporary) have been designed to encourage local people to become involved and help shape the place where they live. Pioneering Places is funded by the Arts Council England, the National Lottery Heritage Fund, Artswork, Kent County Council and Christ Church Canterbury University, with Historic England providing advice.

By strengthening the networks between culture and civic and community organisations, and by involving citizens and local businesses, the Pioneering Places project will enhance the role that culture plays in the future of each place. In time this will lead to the wide range of social and economic benefits that arts, culture and heritage can achieve.

While the lockdown period involved a hiatus on physical events and activities, including the rescheduling of the Creative Folkestone Triennial, we decided to focus on advocacy, partnership and digital work throughout 2020 and the first quarter of 2021. This included engaging with policymakers, stakeholders and a wide audience of cultural and heritage organisations, practitioners and town planners at events including The Future of English Towns (Westminster Media Forum), Heritage Digital Now (The Heritage Alliance) and the UK's largest online festival of the the creative and cultural industries, Creative Coalition, with an online audience of more than 800 policymakers and practitioners.

New partnerships were formed during this time to support a Research and Knowledge Base project and advocacy work, with a focus on connecting with national heritage, university and cultural and policy research organisations including Creative Industries Policy Evidence Centre (PEC), Centre for Cultural Value, National Centre for Academic and Cultural Exchange (NCACE), The Heritage Alliance, What Works Centre for Local Economic Growth, British Council, Creative Industries Federation and Creative England.

As a result of these partnerships and connections, Project Director Jason Jones-Hall represented Pioneering Places to feed into the Centre for Cultural Value Evaluation Working Group, The Heritage Alliance Spatial Planning Advocacy Group and Digital, Learning and Skills Advocacy Group as well as local plans and strategies being devised Kent County Council, Folkestone & Hythe District Council, Thanet District Council and Dover District Council.

Successful community engagement and activation projects with all age groups - from primary schools to pensioners - generated ideas for the disused Folkestone Gas works site on Ship Street. These were developed into proposals for potential future uses for the site by EAST Architects. Following presentation of the Masterplan with key stakeholders, Folkestone & Hythe District Council (FHDC) has now completed the purchase of the Gasworks site and confirmed its intention to continue working with Creative Folkestone and *"with an input from the creative sector with a strong focus on exemplar design, sustainability and art in public spaces"*.

Final preparations are now underway for the installation of a number of new artworks for the Gasworks site as part of the Creative Folkestone Triennial in 2021, while an educational partnership has been developed with the EDGE School of Creative and Business, at East Kent Community College, which will include complementary digital and physical artworks and exhibits created by EDGE students alongside the Triennial artworks on the Gasworks site.

Learning and Engagement

Due to the Covid-19 restrictions our learning and engagement space, Block 67, had to close, and planned workshops and activities for young people, families and other community groups were cancelled and replaced by digital content.

During the first three months our Learning Officer developed a series of online educational animations and written resources for the *Get Creative* part of Creative Folkestone's website. The resources were inspired by Folkestone Artworks and aimed to provide suggestions for children and young people to be creative and imaginative at home or in the classroom using materials they were likely to have available.

Working with our regular theatre and dance practitioners, we engaged in an 11-week project with children who attended our afterschool club, *Neon*, to create an online Time Capsule documenting reflections and thoughts on lockdown. Participants followed a weekly prompt to respond creatively and submit films, animations, drawings, sound pieces and expressed themselves through movement, performance, dance and visual art.

Taking advantage of an easing of lockdown restrictions over the summer, we ran in August one of four previously planned summer schools, *NEON*. Theatre practitioners, Sadie Hurley and James Middleton, worked for a week with fifteen 8-11 year olds in the Quarterhouse auditorium to explore ways to be creative and expressive. The children focused on visual arts, creative writing and digital performance and made digital and craft-based work that was displayed in the Quarterhouse foyer windows during August.

As part of *The Plinth* project, a schools engagement programme was developed. Mobile plinths were delivered to 17 local primary and secondary schools in the district. Each school had the opportunity to create and engage with the project in any way they wanted. Online resources were shared with teachers to support the project.

The response from all schools was very positive with many teachers feeding back that *The Plinth* gave pupils and teachers something to focus on and get excited about. About 2,500 children and young people were involved in the project with many exhibiting their Plinth in their school's foyer to give more pupils the opportunity to engage in the project.

In collaboration with six local artists, inspirational digital workshops were created showcasing different ways to make sculptures using a wide variety of materials which were easily available and affordable. Over six weekends one of the workshops was published via social media encouraging families to be creative and to get involved in *The Plinth*. Free material packs linked to each workshop were available every weekend for families to be picked up from Glassworks or from a shop on the Old High Street.

Prospect Cottage

Prospect Cottage was the home of film director and artist Derek Jarman from 1986 until his death in 1994. During these years he created an artwork out of his cottage and cultivated a beautiful garden in the shingle around it.

In 2020 the Art Fund led a campaign with the help of Tate Gallery and Creative Folkestone to raise the funds to purchase Prospect Cottage and its contents so that it could be saved for the nation and become a centre for creative activity. The campaign raised £3,634,087 for the acquisition of the property and the establishment of an endowment fund to secure for the upkeep of the cottage and garden.

Creative Folkestone will become the custodian of Prospect Cottage taking on responsibility for maintenance, establishing a residency programme, providing interpretation and managing visits to it.

A four-year business plan has been drafted that includes plans for an initial research and development period to define the requirements to bring the Cottage and garden to a good standard and to establish the principles conservation.

A new group, the *Prospect Cottage Advisory Sub-Committee,* has been formed to support the Chief Executive and staff to deliver of the plan.

Creative Folkestone has submitted a bid to the Arts Council to fund a residency programme aimed at giving artists, academics, writers, gardeners, filmmakers, and others interested in Jarman and his work access to Prospect Cottage. We received a donation towards this programme from benefactors Cate Olson and Nash Robbins through the Rockefeller Philanthropy Fund in August 2020.

The Art Fund's planned purchase of Prospect Cottage won the annual Acquisition of the Year Award from Apollo Magazine. The shortlist for the prize featured the Louvre, the Metropolitan Museum in New York, the Uffizi Gallery, the J Paul Getty Museum, British Museum and the Courtauld Institute.

Diversity

Diversity and equality are embedded in all Creative Folkestone activities giving everyone in the community, irrespective of their protected characteristics, the chance to have a full cultural and creative life. It enriches our artistic programme and aims to make our audiences, workforce and governance inclusive.

From application to appointment, people with protected characteristics are slightly over recruited i.e. the staff team have more diversity than the pool of applicants. Staff are encouraged to support Creative Folkestone's commitments to diversity and equality and to help ensure that our strategic decisions are efficiently implemented.

We have been successful in our application to become a host for a Weston Jerwood fellow and the organisational development for this began in January 2021.The fellowship aims to provide work experience for somebody from the under-represented demographics in the creative or cultural sector.

During the Covid-19 pandemic, we ensured that protected characteristic groups, and those disadvantaged by social and economic challenges such as mental health issues and socio-economic deprivation, were able to participate in our programme. These groups have been particularly vulnerable as a direct consequence of the pandemic.

Arts Council England have reported that Creative Folkestone has achieved a strong rating in its diversity classification.

Future Plans

The main focus of our plans and activities for the coming year will be preparing for the re-opening of Quarterhouse and the Creative Quarter and the successful delivery of two of our postponed flagship events; Folkestone Book Festival and the fifth Folkestone Triennial.

We expect that the Quarterhouse performance programme will be fully reinstated in early 2022. While the impact of Covid-19 continues, we will create audience content using digital technologies as it allows the auditorium to be used with a lower audience capacity. This will require Creative Folkestone to find additional funds as we expect these events to cost more and deliver lower financial returns.

We will continue our *Open Sesame* programme that offers Quarterhouse space to local artists and other creatives for research and development, training and rehearsal purposes subject to budgetary constraints.

We will continue to assist our commercial tenants as the Creative Quarter starts to reopen to visitors with the easing of restrictions. We will help them offer a safe and compliant working environment as the country emerges from the pandemic. Particular attention will be given to maintenance work, delayed in 2020, using designated funds that were set aside during the year.

The postponed Folkestone Book Festival took place in June 2021 in Quarterhouse and other places across Folkestone and the programme was a mixture of digital and live events. Entitled *'The Shape of Things to Come'*, the festival again took its inspiration from the ideas and thoughts of H.G Wells, a Folkestone resident for 13 years. Over 10 days, writers, artists and thinkers explored the future and discussed a range of topics, including race relations, the environment, technology, food, pandemics and Britain, Russia, Europe and the US.

The new extended Creative Folkestone Triennial 2021 was announced in March 2021 together with the names of participating artists. Careful preparations and delivery will ensure the exhibition is successful. We expect the event to be a highlight in the Folkestone calendar that will attract many visitors to the town which will help boost Folkestone's economy as the town comes out of the pandemic.

From January 2022, Creative Folkestone Triennial will be under new curatorship and the process of appointing a new curator has started during the second half of the year.

Mark Dion's *Mobile Gull Appreciation Unit* will be reinstated as a mobile visitor centre on the Harbour Arm and the recruited and trained volunteers will continue with the interpretation of the artworks. Once Creative Folkestone Triennial has finished, new selected artworks will join Folkestone Artworks and the website, leaflets and other communication material will be updated.

In 2021/2022 we will be inviting the community to take part in Beacons, an engagement project consisting of a series of workshops and events, culminating in a theatrical happening of music and light in November. The project is about the theme of inter-dependence between people, places and eco-systems.

Creative Folkestone will remain committed to environmental responsibility by continuing to reduce its carbon footprint, engaging with topics such as climate, biodiversity, waste and energy in our festivals, projects and engagement programme and promoting good practice in the Creative Quarter. An updated environmental and sustainability strategy will be drafted outlining our vision and ambitions and the plans to achieve them.

An application for extended funding will be submitted to ACE by January 2022 seeking to extend Creative Folkestone's status as a National Portfolio Organisation. We will ask for support in Creative Folkestone's national leadership role in creative placemaking and to take into account projects such as Prospect Cottage, Ship Street and Otterpool and the development of our learning and engagement programme.

Creative Folkestone shares the new ten-year vision published by ACE which will be embedded in our new five-year business plan that will be drafted in the first months of the new year. The plan will outline how we will be implementing their four strategic priorities - Ambition and Quality, Inclusivity and Relevance, Dynamism and Environmental Responsibility - into our future activities.

In summary, we expect that 2021/2022 will be a year of recovery from Covid-19 restrictions and cultural austerity and Creative Folkestone will step up again to its cultural placemaking leadership role to deliver a programme of activities reflecting our vision to make Folkestone a better place to live, work, play and visit through creativity and regeneration.

Financial review

The financial position of the Charity is as set out in the financial statements for the year. During the financial year ended 31 March 2021, the Charity achieved a surplus of £1,388,811 (2020: deficit, £51,295) of which £1,150,000 relates to the value of property donated by the Roger De Haan Charitable Trust (RDHCT) during the year. The results were impacted adversely by a reduction of anticipated rental income as a consequence of delays the RDHCT experienced to building works which in turn delayed their donation of two further properties to Creative Folkestone.

The Charity has faced considerable challenges following the Covid-19 outbreak with restrictions placed on its charitable activities, staff movement and tenants' premises. In response, the Charity reduced its costs wherever possible including using the government's furlough scheme, adapted its operations and provided support to its staff and tenants. Helpfully, the Charity had been taking steps to build up its cash reserves which improved its resilience during recent months.

The Charity held long leasehold properties at 31 March 2021 with a balance sheet value of £13 million. These properties are owned by the Roger De Haan Charitable Trust and leased to Creative Folkestone at a peppercorn rent for 125 years. These properties provide a rental income for the Charity which it uses to satisfy its charitable objectives.

However, these properties may only be rented for creative and educational purposes, and the capital value may never be realised by the Charity.

The high level of restricted funds shown in the balance sheet as at 31 March 2021 relates principally to the Charity's properties in the Creative Quarter rather than available cash resources.

Reserves policy

Since the establishment in 2002 of Creative Folkestone, the Charity had been in the development phase of addressing its charitable objectives. During this period, the Charity had not sought to build its reserves, aside from those represented as property assets.

More recently the Charity has sought to build a cash reserve in addition to its property assets. It aims to maintain positive cash reserves over the next 10-year period. A risk-based assessment of need has set a target range of between £250,000 and £400,000. Current free non designated reserves are £462,000, above the range and given current uncertainty considered to be acceptable.

The reserves are set out in Note 21 to the financial statements. Restricted funds are subject to specific terms and conditions declared by the donor(s), and are only used for the purposes for which they are given.

Designated funds

In preparation for the Folkestone Triennial the Board will seek to designate reserves to future Triennials in the years between exhibitions. The cost of a Triennial is circa £2,100,000.

The Trustees have designated a total of £895,000 (£502,000 to Triennial 2021, £143,000 to Arts Programme costs, £100,000 to the Covid related maintenance backlog, £50,000 to the Charity's 20th anniversary events and £100,000 to the Triennial in 2024.

Investment policy

The Charity's surplus funds are presently held on cash deposit.

Principal risks and uncertainties

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Regular formal trustee and management meetings are held to review progress towards achieving the Charity's objectives and to promote strategic direction within the operation. The Senior Management Team addresses regularly the full risk schedule identified by the Trustees and puts in place procedures and controls so as to ensure those risks are adequately managed. The principal risks are a) economic downturn and Covid related uncertainty, b) loss of key Board members and staff and c) failure to hit earned income and fundraising targets. The mitigating actions are identified in the business plan, including ensuring necessary reserves, good property management, succession planning and investment in the fundraising team. The Charity had in place a contingency plan which proved its worth during Covid-19 restrictions, with operations transitioning smoothly to a home working environment for all staff.

Equal opportunities and diversity policy

The Trustees recognise that ensuring equal opportunities for all is an integral part of good practice within the workplace and Creative Folkestone remains committed to its comprehensive Equality and Diversity Policy.

The charity ensures that the buildings it occupies comply fully with the statutory regulations in place in relation to disabled access.

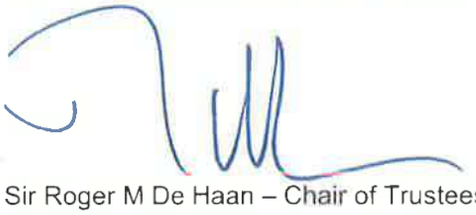
Auditor

RSM UK Audit LLP was appointed auditor to Creative Folkestone in accordance with section 485 of the Companies Act 2006 and has indicated its willingness to continue in office.

Strategic report

The matters which the Trustees deem to be of strategic importance have been included within the Report of Trustees on pages 1 to 3 in accordance with section 414c(11) of the Companies Act 2006.

This Report was approved by the Board of Trustees on 29th November 2021, and signed on their behalf, by:



Sir Roger M De Haan – Chair of Trustees

CREATIVE FOLKESTONE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Creative Folkestone for the purposes of company law) are responsible for preparing the Strategic Report, Report of the Trustees 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 those financial statements, the Trustees are required to:

a. select suitable accounting policies and then apply them consistently;

b. observe the methods and principles in the Charities SORP;

c. make judgements and accounting estimates that are reasonable and prudent;

d. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and;

e. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREATIVE FOLKESTONE

Opinion on financial statements

We have audited the financial statements of Creative Folkestone (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report of Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of Trustees, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Report of Trustees have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Report of Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011 and the charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Report of Trustees and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and tenancy laws. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations.

The audit engagement team identified the risk of management override of controls and as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Nicholas Sladden (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP
Statutory Auditor, Chartered Accountants
25 Farringdon Street
London, EC4A 4AB 6 December 2021

CREATIVE FOLKESTONE

Statement of Financial Activities (Including Income and Expenditure Account)

For the year ended 31 March 2021

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Income from:					
Donations and legacies	3	33,305	1,164,000	1,197,305	128,042
Charitable activities	4	2,285,631	93,382	2,379,013	2,682,206
Other trading activities	5	7,540	-	7,540	96,872
Investments	6	1,940	-	1,940	3,282
Other income	7	75,451	-	75,451	-
Total income		2,403,867	1,257,382	3,661,249	2,910,402
Expenditure on:					
Charitable activities	8	1,925,580	346,759	2,272,339	2,919,464
Other trading activities	11	99	-	99	42,233
Total expenditure		1,925,679	346,759	2,272,438	2,961,697
Net income/(expenditure) and net movement in funds		478,188	910,623	1,388,811	(51,295)
Total funds at 1 April		1,153,180	17,249,262	18,402,442	18,453,737
Total funds at 31 March		1,631,368	18,159,885	19,791,253	18,402,442

CREATIVE FOLKESTONE

Balance Sheet

At 31 March 2021

Company Registration Number: 04566484

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	**15**	18,385,808	17,476,224
Heritage assets	**16**	53,400	53,400
Investments	**17**	1	1
		18,439,209	17,529,625
Current assets			
Debtors	**18**	447,917	380,693
Cash at bank and in hand		1,525,049	1,227,023
		1,972,966	1,607,716
Creditors: amounts falling due within one year	**19**	(620,922)	(734,899)
Net current assets		1,352,044	872,817
Net assets		19,791,253	18,402,442
Funds			
Unrestricted funds	**22**	1,631,368	1,153,180
Restricted funds	**22**	18,159,885	17,249,262
Total funds		19,791,253	18,402,442

The financial statements on pages 20 to 36 were approved by the board and authorised for issue on 29 November 2021. .. and signed on its behalf by:

Sir Roger M De Haan – Chair of Trustees

CREATIVE FOLKESTONE

Statement of Cash Flows

For the year ended 31 March 2021

	Notes	2021 £	2020 £
Cash outflow from operating activities:			
Net cash provided by operating activities	**24**	296,086	183,578
Interest received		1,940	3,282
Net increase in cash and cash equivalents		298,026	186,860
Cash and cash equivalents 1 April		1,227,023	1,040,163
Cash and cash equivalents 31 March		1,525,049	1,227,023
Relating to:			
Cash at bank and in hand		1,525,049	1,227,023

Notes to the Financial Statements
For the year ended 31 March 2021

1 Accounting policies

Legal status
The Charity is a company limited by guarantee. The members of the company are the Trustees. 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 Charity's objectives and aims are disclosed in the Report of Trustees.

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention. The financial statements have also been prepared in accordance with the accounting policies set out in more detail below, to comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019 (the FRS 102 Charities SORP 2019).

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

The Charity constitutes a public benefit entity as defined by FRS 102.

Going concern
The Trustees confirm that at the time of approving the financial statements, there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, and the Charity's reserves position. Since the significance of the economic impacts of the COVID-19 outbreak have become apparent, the Trustees have reviewed in detail the Charity's position and the appropriate basis on which to prepare the financial statements.

The Trustees anticipate that there will be significant adverse impacts on many income streams. The full impact of the COVID-19 outbreak cannot presently be estimated with any certainty, but the stress testing of the Charity's financial position has satisfied the Trustees that it has adequate reserves and mitigation strategies available to deal with the impact of the outbreak as it unfolds. The cash position is strong, the charity has no debt, the rental income has so far held up well, funding from the Arts Council is secure for at least two years and funds have been put aside for the 2021 Folkestone Triennial. The Trustees recognise that 2021/2022 will be another challenging year and have structured the budget accordingly while assessing what further actions can be taken if needs be and they have concluded that it remains appropriate to prepare the financial statements of the Charity on the going concern basis.

Consolidation
The financial statements present information about the Charity as an individual undertaking and not about its group. The Charity has taken advantage of section 402 of the Companies Act 2006 not to prepare consolidated financial statements as the directors consider that the Charity's subsidiary may be excluded from consolidation as it is immaterial for the purpose of a true and fair view.

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.

Donated facilities and gifts in kind are included at the value to the Charity where this can be quantified, and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

1 Accounting policies (continued)

Income from government and other grants, whether 'capital' grants relating to tangible fixed assets 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.

Expenditure
Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Governance costs include those costs incurred in the governance of the Charity and are primarily associated with constitutional and statutory requirements.

Support costs represent finance, administration and other indirect central costs. The support costs have been allocated in proportion to the direct costs incurred in respect of each activity.

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 Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

Heritage assets
Metropole:
This comprises artworks that were collected through the Metropole Arts Centre that are owned by the Charity. This artwork is recognised as a heritage asset for the purposes of these financial statements, in accordance with the Charity SORP Section 18, since it is held and maintained principally for its contribution to knowledge and culture. The Trustees valued this artwork at £53,400 based upon valuations for various parts of the collection. The Trustees do not believe that the value of the artwork has changed.

Art Buff:
The Charity owns the Banksy artwork known as "Art Buff". This artwork is recognised as a heritage asset for the purposes of these financial statements, in accordance with the Charity SORP Section 18, since it is held and maintained principally for its contribution to knowledge and culture. It is included at zero net book value since information on its value is not available and a reliable estimate cannot be made of the asset's fair value. Furthermore, it is considered that the asset has no monetary value to the Charity, because the Charity considers that it would not be appropriate to sell the asset.

Taxation
Creative Folkestone is a registered Charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

1 Accounting policies (continued)

Tangible fixed assets
Tangible fixed assets are stated at cost less depreciation and impairment losses. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	50 years straight line
Long leasehold	straight line over life of lease
Leasehold improvements	straight line over life of lease
Plant and machinery	15 – 33% on cost straight line
Computer equipment	33% on cost straight line
Fixtures and fittings	15% on cost straight line

A full year of depreciation is charged in the year of purchase and no depreciation is charged in the year of disposal.

At each reporting end date, the Trustees review the carrying amounts of its freehold and leasehold assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, with original maturities of three months or less, and bank overdrafts.

Financial instruments
The charitable company applies the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument, and are offset only when the charitable company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Basic financial assets, including trade and other receivables (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at transaction price and subsequently measured at amortised cost, being the transaction price less amounts settled and any impairment losses.

Basic financial liabilities, including trade and other payables are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Operating leases
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

1 Accounting policies (continued)

Agency Arrangements
The charity acts as an agent in the administering of the Great Place Scheme Pioneering Places: East Kent Fund for the National Lottery Heritage Fund. Related payments received from National Lottery Heritage Fund and subsequent disbursements to other partners within the scheme are excluded from the statement of financial activities to the extent that the charity does not have a beneficial interest in the individual transactions.`

Payments received which relate to the Charity's share of the Great Place Scheme Pioneering Places is recognised in the statement of financial activities.

Government Grants
Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Accounting estimates and areas of judgment
In application of the Charity's accounting policies, the Trustees are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgments

Heritage assets
The carrying value of the heritage assets, as valued by the trustees, is considered to be a key area of estimation.

3 Donations and legacies	2021 £	2020 £
Restricted		
Roger De Haan Charitable Trust:		
Transfer of leasehold properties	1,150,000	-
Folkestone Festivals Fund	14,000	73,000
Total restricted	1,164,000	73,000
Unrestricted		
McAlpine donation	40,000	40,000
Other	(6,695)	15,042
Total unrestricted	33,305	55,042
Total donations and legacies	1,197,305	128,042

4 Charitable activities

	Rental income	Grants	Other sources of income	Total
	£	£	£	£
Creative Quarter	1,060,740	-	214,590	1,275,330
Folkestone Triennial	-	5,000	21,200	26,200
Folkestone Artworks	-	-	68,548	68,548
Quarterhouse	1,851	32,875	109,714	144,440
Learning & Engagement	-	-	2,104	2,104
Great Place Scheme	-	92,427	-	92,427
Development	-	631,145	138,819	769,964
2021 Total activities	**1,062,591**	**761,447**	**554,975**	**2,379,013**
2020 Total activities	**1,126,376**	**1,318,682**	**237,148**	**2,682,206**

Of the £2,379,013 income received in the period to 31 March 2021, £93,382 was attributable to restricted funds and £2,285,631 was attributable to unrestricted funds.

Of the £2,682,206 income received in the period to 31 March 2020, £519,227 was attributable to restricted funds and £2,162,979 was attributable to unrestricted funds.

5 Other trading activities

	Unrestricted 2021	2020
	£	£
Bar income	285	53,854
Other sundry income	7,255	43,018
	7,540	96,872

6 Investments

	Unrestricted 2021	2020
	£	£
Deposit account interest	1,940	3,282

7 Other income

	Unrestricted 2021	2020
	£	£
Government grants	75,451	-

Grants received represent amounts received in respect of contributions towards staff salary costs under the coronavirus job retention scheme.

8 Charitable activities

	Direct Costs £	Grants payable £	Support costs £	Total £
Creative Quarter	746,330	-	165,510	911,840
Arts programme festivals and events	23,763	14,000	6,537	44,300
Folkestone Triennial	225,687	-	62,080	287,767
Folkestone Artworks	68,470	-	18,834	87,304
Quarterhouse	92,427	-	25,424	117,851
Learning & Engagement	331,297	-	185,901	517,198
Great Place Scheme	182,617	-	50,233	232,850
Development	73,229	-	-	73,229
2021 Total activities	1,743,820	14,000	514,519	2,272,339
2020 Total activities	2,288,014	73,000	558,450	2,919,464

Of the £2,272,339 charitable activities expenditure in the period to 31 March 2021, £346,759 was attributable to restricted funds and £1,925,580 was attributable to unrestricted funds.

Of the £2,919,464 charitable activities expenditure in the period to 31 March 2020, £816,965 was attributable to restricted funds and £2,102,499 was attributable to unrestricted funds.

9 Grants payable

	Unrestricted 2021 £	2020 £
Arts programme festivals and events	14,000	73,000

10 Support costs

Support costs represent finance, administration and other indirect central costs. The support costs have been allocated in proportion to the direct costs incurred in respect of each activity excluding depreciation and gifts in kind.

11 Other trading activities

	Unrestricted 2021 £	2020 £
Bar expenditure	99	42,233
	99	42,233

12 Auditor's remuneration	2021 £	2020 £
Audit services - statutory audit of the charity	18,500	16,700
Other services:		
Auditor's non-audit services	2,500	2,200
	21,000	18,900

13 Net income	2021 £	2020 £
This is stated after charging/(crediting):		
Government grants	(75,451)	-
Depreciation	240,416	238,498
Other operating leases	-	553

14 Staff costs and remuneration of key management personnel	2021 £	2020 £
Wages and salaries	627,688	650,015
Social security costs	56,815	55,448
Other pension costs	59,839	53,536
	744,342	758,999

The average monthly number of employees during the year was as follows:	2021 no.	2020 no.
Creative Quarter	3	2
Arts programme festivals and events	1	1
Development	2	2
Marketing	2	2
Learning and engagement	1	1
Management and administration	5	5
Quarterhouse	3	3
Visitor Experience	3	7
	20	23

The number of employees whose emoluments for the year fell within the following bands was:

£70,001 – £80,000	1	1

All employees earning more than £60,000 in the current and previous year participated in the pension scheme.

14 Staff costs and remuneration of key management personnel (continued)

The Chief Executive, Mr A Upton, was also a member of the Board of Trustees during the year and received remuneration and benefits for his services in that office, through an employment contract with the Charity, of £78,106 (2020: £75,257) and pension contributions for the period of £11,086 (2020: £10,711).

Fiona Kingsman was appointed deputy Chief Executive Officer in August 2019 and received remuneration and benefits for her services in that office, through an employment contract with the Charity, of £50,000 (2020: £33,333) and pension contributions for the period of £5,000 (2020: £2,537).

The Charity considers its Board of Trustees, including the Chief Executive and deputy Chief Executive Officer, as their key management personnel. No other members of the key management personnel received remuneration during the current period or previous year.

No members of the Board of Trustees were reimbursed expenses during either the current or previous year.

Notes to the Financial Statements (continued)
For the year ended 31 March 2021

15 Tangible fixed assets	Freehold property £	Long leasehold £	Leasehold improvements £	Plant and machinery £	Furniture & Fixtures £	Computer equipment £	Total £
Cost							
1 April 2020	5,992,909	12,927,451	854,378	187,552	23,490	24,978	20,010,758
Additions	-	1,150,000	-	-	-	-	1,150,000
Disposals	-	-	-	(58,329)	(13,895)	-	(72,224)
	5,992,909	14,077,451	854,378	129,223	9,595	24,978	21,088,534
Depreciation							
1 April 2020	1,262,426	937,833	99,296	186,511	23,490	24,978	2,534,534
Charge for the year	119,857	112,631	6,887	1,041	-	-	240,416
Disposals	-	-	-	(58,329)	(13,895)	-	(72,224)
31 March 2021	1,382,283	1,050,464	106,183	129,223	9,595	24,978	2,702,726
Net book value							
31 March 2021	4,610,626	13,026,987	748,195	-	-	-	18,385,808
31 March 2020	4,730,483	11,989,618	755,082	1,041	-	-	17,476,224

16 Heritage assets	Total £
Market value	
At 1 April 2020 and 31 March 2021	53,400
Net book value	
At 1 April 2020 and 31 March 2021	53,400

17 Fixed asset investments	Shares in group undertakings £
Market value	
At 1 April 2020 and 31 March 2021	1
Net book value	
At 1 April 2020 and 31 March 2021	1

The Charity's investment at the balance sheet date was held in the following company:

	Registered Office	Class of share	% held Directly	% held Indirectly	Nature of business
The Creative Foundation (Trading) Limited	England and Wales	Ordinary A	100%	-	Dormant

18 Debtors: amounts falling due within one year	2021 £	2020 £
Trade debtors	57,251	176,685
Other debtors	37,642	33,560
VAT	12,415	5,341
Prepayments and accrued income	340,609	165,107
	447,917	380,693

19 Creditors: amounts falling due within one year	2021 £	2020 £
Trade creditors	182,266	122,348
Amounts owed to group undertakings	647	647
Social security and other taxes	-	15,213
Other creditors	139,135	415,989
Accruals	42,003	117,337
Deferred income (note 19a)	256,871	63,365
	620,922	734,899

19a Deferred income	2021 £	2020 £
Deferred income as at 1 April	63,365	44,847
Income received requiring deferment	256,871	63,365
Release of income during the year	(63,365)	(44,847)
Deferred income as at 31 March	256,871	63,365

Deferred income of £69,796 (2020: £37,490) represents income received in advance for property rentals and £187,075 (2020: £25,875) represents income received in advance in relation to grants.

20 Pension

The Charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £59,839 (2020: £53,536). The total contributions outstanding at the year end were £6,368 (2020: £6,530).

Notes to the Financial Statements (continued)
For the year ended 31 March 2021

21	Analysis of net assets between funds – 31 March 2021	Unrestricted funds £	Restricted funds £	Total Funds 2021 £	Total funds 2020 £
	Fixed assets	279,323	18,159,885	18,439,208	17,529,624
	Investments	1	-	1	1
	Current assets	1,972,966	-	1,972,966	1,607,716
	Current liabilities	(620,922)	-	(620,922)	(734,899)
		1,631,368	18,159,885	19,791,253	18,402,442

	Analysis of net assets between funds – 31 March 2020	Unrestricted funds £	Restricted funds £	Total Funds 2020 £	Total funds 2019 £
	Fixed assets	280,362	17,249,262	17,529,624	17,768,122
	Investments	1	-	1	1
	Current assets	1,607,716	-	1,607,716	1,464,640
	Current liabilities	(734,899)	-	(734,899)	(779,026)
		1,153,180	17,249,262	18,402,442	18,453,737

22	Movement in funds	At 31 March 2020 £	Net movement in funds £	At 31 March 2021 £
	Unrestricted funds			
	General fund	468,258	47,627	515,885
	Designated funds	459,000	436,000	895,000
	Freehold property	225,922	(5,439)	220,483
		1,153,180	478,188	1,631,368
	Restricted funds			
	Freehold and leasehold properties	4,504,562	(119,857)	4,384,705
	Leasehold properties	12,744,700	1,030,480	13,775,180
		17,249,262	910,623	18,159,885
	Total funds	18,402,442	1,388,811	19,791,253

The Trustees have designated a total of £895,000 (£502,000 to Triennial 2021, £143,000 to Arts Programme costs, £100,000 to the Covid related maintenance backlog, £50,000 to the Charity's 20th anniversary events and £100,000 to the Triennial in 2024.

Notes to the Financial Statements (continued)
For the year ended 31 March 2021

22 Movement in funds (continued)

Net movement in funds, included in the above, are as follows:

	Income	Expenditure	Transfer	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	2,403,867	(1,658,673)	(697,567)	47,627
Designated funds	-	(261,567)	697,567	436,000
Freehold property	-	(5,439)	-	(5,439)
	2,403,867	(1,925,679)	-	478,188
Restricted funds				
Folkestone Triennial	26,200	(26,200)	-	-
Folkestone Artworks	42,182	(42,182)	-	-
Quarterhouse	25,000	(25,000)	-	-
Freehold Property	-	(119,857)	-	(119,857)
Leasehold Properties	1,150,000	(119,520)	-	1,030,480
Arts Programme Festivals & Events	14,000	(14,000)	-	-
	1,257,382	(346,759)	-	910,623
Total funds	3,661,249	(2,272,438)	-	1,388,811

Details on funds are as follows:

Folkestone Triennial	3 yearly public contemporary arts exhibition held in Folkestone.
Folkestone Artworks	Maintenance of contemporary artwork left in situ after the Folkestone Triennial.
Quarterhouse	The ownership and operation of the Quarterhouse Performing Arts Centre.
Freehold Property	Represents grants received by the Charity for capital projects. These are depreciated over the estimated useful economic life of the asset the grant was used to purchase.
Leasehold properties	Represents the transfer of leasehold properties from the Roger De Haan Charitable Trust to the Charity.
Arts Programme Festivals & Events	Festival ticket and fundraised income.
Designated funds	The Trustees have designated a total of £895,000, full details are disclosed on page 34.

23 Related party disclosures

As part of Creative Folkestone's administration of The Great Places Scheme Pioneering Places: East Kent, as detailed in note 26, payments totalling £254,675 were made to The Marlowe Trust, an entity which is related by virtue of a common trustee. This is part of the agency arrangement and were not the funds of the charity.

The Roger De Haan Charitable Trust (RDHCT), a Charity which Sir Roger De Haan is a Trustee, donated leasehold properties valued at £1,150,000 (2020: £nil), made a payment of £39,182 (2020: £89,427) to the Folkestone Artworks and a grant of £nil (2020: £100,000) for the Folkestone Triennial.

Details of trustees' remuneration and benefits can be found in note 14.

24 Net cash flow from operations

	2021 £	2020 £
Net surplus/(deficit) for the year	1,388,811	(51,295)
Depreciation	240,416	238,498
Interest received	(1,940)	(3,282)
(Increase)/decrease in debtors	(67,224)	43,784
Decrease in creditors	(113,977)	(44,127)
Donated assets	(1,150,000)	-
Net cash inflow from operating activities	296,086	183,578

25 Commitments under operating leases

At 31 March 2021 the Charity was committed to making the following payments under non-cancellable operating leases in the year to 31 March:

	2021 £	2020 £
Operating leases which expire:		
Within one year	-	553
	-	553

26 Agency arrangements

The charity administers the disbursement of the grants due to the partners of The Great Place Scheme Pioneering Places: East Kent, on behalf of National Lottery Heritage Fund. In the year, amounts were received totalling £267,532 (2020: £296,135). The amount received but not yet distributed at the year end was £nil (2020: £297,189) and is included in other creditors at the reporting date.