



## **PK Porthcurno**

**Trustees' Report and Consolidated Financial Statements**

**Year ended 31 March 2024**

**Registered charity number 1189090**

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## Vision

*"We have designed our civilization based on science and technology and at the same time arranged things so that almost no one understands anything at all about science and technology. This is a clear prescription for disaster"*  
Carl Sagan

### OUR VISION:

A world where people are inspired by the past, understand the science and technology that connects them, and use that knowledge to imagine and shape a better future.

### OUR MISSION:

We enable people to explore the connected world, understand the history, science and technology of global communications, and consider what this means in their own lives.

### OUR VALUES:

**Inspiring:** we love what we do and hope to inspire others by sharing our enthusiasm and inviting their participation

**Progressive:** we are forward thinking, adventurous and not afraid to try new things

**Relevant:** we engage people with our collections and stories and how these relate to their own lives

**Sustainable:** we work towards a sustainable world and aim to do no harm

**Open:** we create an inclusive and open environment which welcomes respectful discourse

## Legal and administrative information

### Registered office and

**principal place of business:** Eastern House  
Porthcurno  
Penzance  
Cornwall, TR19 6JX

**Charity registration number:** 1189090

**VAT number:** GB 699 4558 55

### Trustees

The trustees of PK Porthcurno during the period under review were:

Christopher Fyles (Chairman from 24 April 2024)

Julie Seyler (Vice-chairman, appointed 24 April 2024)

Polina Bayvel

David Foot

Gordon Johnston (appointed 24 April 2024)

Andrew MacLeod

Cassandra Newland (appointed 3 May 2023)

Rabindra Paramothayan (appointed 24 April 2024 )

Gareth Parry (Chairman to 24 April 2024 )

Richard Perry

Shini Somarathne (appointed 11 May 2023)

Deborah Tritton

### Principal officers

The management team reports to the board of trustees and is responsible for the overall management of the charity.

The team of managers comprise:

Chairman: Christopher Fyles

Creative Director & CEO: Julia Twomlow

Head of Finance & Resources: Patricia McCartney

The Chairman, CEO & Creative Director and Head of Finance & Resources are responsible for managing the finances and administration of the charity and for ensuring compliance with all legal obligations.

## Legal and administrative information (continued)

### Independent advisers

Solicitors: Murrell Associates LLP  
14 High Cross  
Truro  
Cornwall  
TR1 2AJ

Counterculture LLP  
Unit 115 Ducie House  
Ducie Street  
Manchester  
M1 2JW

Auditor: RRL LLP  
Peat House  
Newham Road  
Truro  
Cornwall, TR1 2DP

Bankers: CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

Investment bankers: RBC Europe Ltd T/as RBC Brewin Dolphin  
Vantage Point  
Woodwater Park  
Pynes Hill  
Exeter  
Devon  
EX2 5FD

## Director's Report

### Introduction

PK Porthcurno cares for what is arguably one of the most important and relevant collections in the UK, sharing the extraordinary scientific and social story of global communications from the earliest pioneering developments to the cutting-edge technology we see today. More than ever, exploring and understanding how and why the world connects is essential and is forefront to our purpose at PK Porthcurno. Our ambitions as a museum continue to be guided by our organisational vision, mission and values, building upon valued existing partnerships and developing new partnerships for delivery.

### Vision, Mission and Values

#### Our Vision

A world where people are inspired by the past, understand the science and technology that connects them and use that knowledge to imagine and shape a better future.

#### Our Mission

We enable people to explore the connected world, understand the history, science, and technology of global communications, and consider what this means in their own lives.

#### Our Values

- *Inspiring:* We love what we do and hope to inspire others by sharing our enthusiasm and inviting their participation.
- *Progressive:* We are forward-thinking, adventurous and not afraid to try new things.
- *Relevant:* We engage people with our collections and stories and how these relate to their own lives.
- *Sustainable:* We work towards a sustainable world and aim to do no harm.
- *Open:* We create an inclusive and open environment that welcomes respectful discourse.

### Overview

2023-24 was by rounds challenging and encouraging. Across the cultural sector, museums and organisations like ours continued to be affected by the legacy of Covid-19 and the associated economic disruption. Visitor numbers were still below pre-pandemic levels and often their needs and expectations had also changed. At the same time, we faced significant increases to organisational running costs and a reduced funding landscape to draw on.

Specifically at PK Porthcurno, a fixed year core grant agreement from the Vodafone Foundation came to end. While anticipated, this significantly impacted the annual budget and could not be replaced in full. The funding loss necessitated a staffing restructure including reduced staff hours, redundancies and the departure of some long-standing staff members. However, the restructure also triggered a review of our internal organisational needs and enabled us to begin to address some outstanding issues, especially around health and safety, site operations, commercial income and visitor services.

Our response to the loss of core funding was ramp up our commercial activity to generate more unrestricted income for the charity. Alongside the second car park and Telegraph Cottage holiday let launched last year, we introduced a new catering trailer 'Koffi PK', positioned in the Beach Car Park, which has proved very successful.

Also in 2023, we welcomed in a strengthened relationship with Arts Council England and the dawn of a new consortium of seven museums in Cornwall, collectively receiving £1.86million over the next three years, with PK Porthcurno as Lead Applicant. This has been a highly positive development and one which brings in not only more core funding for all the partner museums, but the benefit of a supportive and streamlined consortium model.

## **Director's Report (continued)**

Despite the financial setbacks, our performance across the year has been strong and was rewarded with recognition at national as well as local level. We reached the finals for the national Visit England Awards, winning Bronze in the Small Tourist Attraction Category. This is in addition to the Gold Awards we received at Cornwall and Southwest levels.

Further exciting developments including a new partnership with the Mobile Phone Museum and the co-production of a new exhibition, 'Going Mobile', which celebrates the forty-year history of the mobile phone. This exhibition is hosted in the WW2 Tunnels at PK Porthcurno and is kindly supported by sponsorship from Vodafone UK.

The changes we have made at PK Porthcurno during the year have been significant and necessary, but not always comfortable. They have required clear thinking, care and consideration and in this regard, I would like to offer special thanks to the Senior Management Team as well as the Board of Trustees for their support, expertise and professionalism throughout.

### **Exhibitions**

A new partnership with the Mobile Phone Museum and sponsorship from Vodafone UK resulted in a temporary exhibition in the Tunnels called 'Going Mobile', exploring the 40-year history of the mobile phone. This replaced the GCHQ collaborative exhibition, 'Watcher of the Skies'. A discussion has begun with the City of London Corporation about providing heritage interpretation and exhibitions at Electra House, Moorgate, London as part of the building's renovation.

### **Engagement & Learning**

The Engagement Team continued to deliver a strong and effective programme of work throughout the year despite the absence of a key staff member who was on extended leave to care for a close family member.

Throughout the year, PK Porthcurno continued to be a popular destination for Cornish schools, offering a unique educational opportunity and experience. Outside of term time, the Engagement Team once again developed and delivered a range of playful and fun activities in and around the PK Porthcurno site. These included Cable Ship Building and Cable Ship Races around the galleries and on the beach in fine weather.

A central part of the engagement programme was Poppy PK, our mobile telegraph station bus which was gifted to the museum by Iris and Tony Leah this year. Poppy is a unique 1950s vehicle originally built by the General Post Office to provide live feed from major sports events across the UK during the 1950s-60s. The Engagement Team has developed a programme of outreach activities which are delivered from Poppy. These include attendance at schools, rallies and fetes around Cornwall and enable us to reach new audiences and promote the work of the museum. The highlight has been the Poppy PK Message Relay Tour around Cornish schools where school children play a pass-it-on game, creating their own secret message to pass on for pupils at the next school on the tour to decode. During the summer season, Poppy is parked in the museum car park for visitors to Porthcurno to see and engage with.

Mini PK Tours were provided for families and children, giving them the opportunity to explore the museum under expert guidance and to ask questions on the story of global communications.

Wednesdays in the summer holiday period were marked by collaborative art workshops for parents and children, using morse code a 'found' materials to create inventive designs and craft works. In the Spring we

## **Director's Report (continued)**

created a seasonally themed room in the main museum building and hosted 'Make & Do' drop-in sessions for family participation.

'Speak Cornish Week' is an annual event for us and this year our Engagement Team led a short training session for staff and volunteers on the theme of '5 a day', encouraging people to incorporate five Cornish words and phrases into their everyday life.

A new collaboration with young people from the award-winning local charity Trelya culminated in a Kids in Museums Digital Takeover Day in July. The participants worked together with a local musician to develop a musical response to their visit at PK. The resulting piece was later recorded and performed at the museum as well as being shared online.

Out and about, the Engagement Team attended several events including having stalls and displays at EXPO Ertach Kernow, Penwith College Careers Fair and running events at the Golowan Festival and Quay Fair, Penzance. These proved terrifically popular and enabled us to reach audiences who may not have previously engaged with our activities.

Our environmental educational work has continued with more sessions for the Planet PK Champions Club. Each session has a scientific, environmental theme which is bended with creative elements to promote positive engagement. Subjects have included learning about plant care, use of recycled materials, moth identification and communications, and creating a bug hotel. Regular and repeat attendances continue to grow with a strong local family following.

In collaboration with our neighbours at the Minack Theatre, we worked with four local schools as part of the 'Wild Escape Project' for Earth Day. This included museum visits and environmental workshops for the schools involved followed by an outreach session within the schools led by the Minack Theatre to create individual plays, which were then performed at PK Porthcurno as part of a mini festival.

For Christmas we decided to 'Light up PK'. With a grant from the St Levan Methodist Charitable Trust, we worked with local schools to create stained glass window displays which we installed in the windows of the Clore Learning Space and also in Poppy PK, which was parked directly outside. These window displays were illuminated throughout the Christmas period for visitors to the Valley to see and enjoy.

### *Training*

The Engagement Team benefited from participation in the Southwest Museums' Development 'Travelling Together' Programme on Equality, Diversity and Inclusion (EDI). This included an introduction to what EDI means, shared tools to support understanding and practical takeaway ideas to help create safe spaces for all through developing a long-term commitment to inclusive work.

Engagement Team members have also participated in the mc7 Learning Team meetings with other learning leads in the new museum consortium.

### *Volunteers*

Our volunteers continue to support the work of the museum in many capacities. During the year these have included helping to staff Poppy at outreach events and in the museum car park during the summer, developing activities within the museum for visitor engagement, delivering expert talks, maintaining and testing equipment, supporting our Engagement Team with workshops, recording short films for our online platforms



## Director's Report (continued)

and digitising records in the archive for our online database. This year also saw the revival of the St Levan Local History Group which met at the museum for the first time since the pandemic.

### Collections & Research

#### *Accreditation*

2023-24 in the archive and collections team was dominated by the Accreditation return for the museum, which had been delayed by the pandemic. The return was completed in January 2024 and involved the review and, where necessary, the revision of all key policy documents relating to the museum. We were then awarded with accreditation status on 11 July 2024.

#### *PK Online Collections*

PK Online Collections (PKOC), our online gateway to the collections, continues to work well as a first port of call for researchers. This facility has saved a lot of time for the archive team with enquirers able to identify documents before approaching us and thereby reducing the amount of search time in house. Visiting researchers can now request documents in advance so that we can be prepared for their visit, saving themselves many hours of productive archive-based time. Remote users who cannot come to Porthcurno are able to request digital copies. Access to the online collection is from around the globe with most based in the UK but others from US, Canada, India, Australia, Yemen, Bahrain, France, Germany, Austria and the Netherlands.

#### *Research*

Visiting researchers for the year came from a range of disciplines and spanned academic, technical, scientific, artistic, family and lay interests. Examples include researchers Erica Borg (King's College, London) and Amedeo Policante (Institute of Contemporary History, Lisbon) who spent three days looking at the shifting geographies of the cable network. Bobby Melville, CCO of Oceanic Environmental Cables, spent time with us looking at the recycling of old cables.

We have continued to support two PhD researchers, based with the University of Exeter, and have started a new academic partnership with Loughborough University through an AHRC funded research fellowship looking at 'Coloniality and Communications: The British Telecommunications in Mesopotamia in the early 20th Century'. This partnership has great potential for future research opportunities and PhD studentships, and we look forward to further developments.

#### *Acquisitions*

We continued to add to the collections as appropriate this year with new acquisitions including digitised copies of photo albums and newspaper articles, two cables mast lamps, a collection of cable samples, Eastern Telegraph Company tableware, and a Synchronome clock and accessories.

### Visitor Experience, Retail & Commercial

#### *Visitors*

Visitor numbers for the year (17,082)<sup>1</sup> were roughly in line with our target with a variation of just under -2%. This small variation would have been caused by an unplanned but necessary 3-week closure in January when we carried out essential cleaning and repairs. Despite this, admissions income was up on target for the year with Spend Per Visitor around 8% higher than anticipated. This is likely due to scaling back on discounts for admissions. Nonetheless, visitor numbers have not recovered to pre-pandemic levels.

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<sup>1</sup> Visitor numbers for PK Porthcurno are reported only for visitors to the museum itself rather than visitors to the café, shop and wider site.

## **Director's Report (continued)**

### *Retail & Café*

The museum shop also performed well with sales across the year up by nearly 5% against target. Museum café income was also up against target by over 9%. Spend Per Visitor on both these areas remained healthy.

Experimentation with a new mobile catering unit, 'Koffi PK', in the lower car park proved very promising, generating additional income from sales of coffee and ice cream to beach and car park visitors. Improving profit margins across food and drink in the café and trailer continues to be an objective.

### *Holiday Let & Car Parks*

The Telegraph Cottage holiday let continued to perform well with positive feedback from guests at over 4.9/5 across the year and bookings near capacity in the main season. Likewise, the inclusion of the Beach Car Park has proved a positive addition to earned income with performance exceeding the previous council operated set-up by nearly £100,000. However, questions over contractual arrangements and maintenance obligations with Cornwall Council remain unresolved, with the Beach Car Park and public toilets both in urgent need of repairs and investment.

## **Site Operations**

In January 2024, the new role of Head of Site Operations and Facilities was created. This was in recognition of the pressure on the existing Senior Management Team in trying to manage an extensive and complex site alongside their other duties. The new role includes responsibility for all buildings and outdoor areas including health and safety, site maintenance and contractor access. The new role also oversees the car park operations and public toilet facilities for the valley.

## **Fundraising & Development**

### *Shared Prosperity Funding (SPF)*

A major focus for fundraising was on developing a £1.586 million bid to the SPF under Good Growth Cornwall and Isles of Scilly. Our project proposal, Return of the Exiles, focussed on the reimagining and rebuild of the Exiles Club in Porthcurno as a bar, restaurant and social space for the valley. Having passed Expression of Interest stage with Good Growth, the project moved from the Reserve list to Approved status and we were required to submit a fully costed business case for consideration. This was commissioned from external consultants Porter PE with input from local architect, Charles Lee Griffiths to the initial plans. The finalised application was submitted for consideration in February 2024. However, due to the change in government in July, SPF and Community Ownership Funding (COF) came under review and projects that had not already commenced were put on hold until further notice. COF has since been ended, and we are now awaiting instruction from Good Growth as to the future of SPF including eligible replacement funding opportunities.

### *mc7 Consortium*

During the financial year, museum partners from seven museums in Cornwall came together to form a new consortium called mc7. This consortium replaces the former Cornwall Museums Partnership which was a National Portfolio Organisation (NPO) with Arts Council England. In June 2023, this group, with PK Porthcurno as lead applicant, successfully bid to Arts Council England for £1.86 million in funding over three years. The funds are received by PK Porthcurno and evenly distributed amongst the partners at £80,000 per partner per year, with shared sums available for consultancy and development work. PK Porthcurno retains an annual administrative sum for project management. Towards the end of the financial year, Arts Council England announced its intention to extend the Investment Programme with an additional year funding (£620,000) for all NPO bodies, including mc7. This takes annual funding for the consortium to 2027.

## **Director's Report (continued)**

### *Museum Estate and Development Fund (MEND)*

An Expression of Interest was submitted for consideration to Arts Council England for £390,668 from the MEND programme. This was for essential and urgent repairs to the museum buildings including replacing the

Air Handling Unit in the Tunnels, addressing damp and water ingress issues in Eastern House, replacing certain doors and windows, radon attenuation, and replacing the archive heat pumps in the Wilshaw Building. The result of this EOI will be known in the coming year.

### *Clore Duffield Foundation*

An application to the Clore Duffield Foundation 'Challenges and Opportunities' Fund was successful resulting in £6,500 towards our Learning and Participation Facilitator role, adding extra capacity to the Engagement Team during the absence of a key staff member.

### *Fundraising Capacity*

Towards the close of the year, the Board decided to appoint external consultants, The Funding Centre, to provide additional capacity and expert support to the PK Senior Management Team around fundraising, especially regarding core funding. An initial prospect search resulted in a number of recommendations for applications which will be taken forward in the coming year. The Board also put together a subgroup of Trustees as the Fundraising and Investment Committee to devise and implement its own efforts to secure sponsorship and individual giving for the charity.

Julia Twomlow, Creative Director & CEO

## **Trustees' report**

The trustees are pleased to present their report together with the audited consolidated financial statements of PK Porthcurno for the year ended 31 March 2024 and confirm that the latter comply with the requirements of the Constitution and the Charities SORP 2019.

PK Porthcurno is a Charitable Incorporated Organisation (CIO) and its UK registered charity number is 1189090.

### **Structure, Governance and Management**

#### **Governing document**

The governing document of the charity is a Constitution dated 14 April 2020. The charity is governed by a board of individual trustees.

#### **Trustee induction and training**

Existing trustees are already familiar with, and the majority experienced in, the work of charities by virtue of their currently holding or having previously held trustee appointments with other charities. New trustees may be appointed at any time (either by way of replacement or addition) by the existing trustees.

All trustees have been acquainted with the Charity Commission's guide "the Essential Trustee", which is distributed free to all trustees together with a copy of the charity's constitution and latest report and accounts. In the event of a vacancy a new trustee would be encouraged to attend a series of meetings with existing trustees and employees and, if necessary, attend a short external course.

A Governance Review was carried out during the year ended 31 March 2024 and is reviewed on an ongoing basis. The Trustee pack continues to be updated on a regular basis for the existing and new trustees.

#### **Organisation**

The board of trustees meet quarterly and are responsible for the strategic direction of the CIO. The day-to-day responsibility for the running of the charity rests with the CEO & Creative Director and assistants who report to the board of the trustees.

#### **Risk Management**

The trustees have examined the major operational and financial risks that the CIO faces and confirms that procedures have been implemented to enable regular reviews to be undertaken and reports to be produced in order that the necessary steps can be taken to minimise any potential impact on the charity should those risks materialise.

#### **Objectives and Activities**

PK Porthcurno is an educational charity, originally established by Cable and Wireless plc in 1997 as The Porthcurno Collections Trust, whose activities, assets and liabilities were transferred to the charity on 1 October 2020. The objects of the charity, as contained in the constitution 'are to advance the education of the public particularly in the sciences and the history of science and innovation and the history of Porthcurno including without prejudice to the generality by preserving, restoring, researching, maintaining and documenting for display to the general public the Tunnels, the Collection and telecommunications equipment and artefacts, buildings and documents and to undertake any charitable activity for the benefit of the public and in particular those members of the public living or working in the vicinity of the Charity's projects.'

The charity's major activities are the operation of an award-winning museum, the care and management of the Cable & Wireless historic archive, the maintenance of the object collections, historic buildings and grounds at Porthcurno and the provision of formal and informal learning opportunities. By providing access to unique, world-class historical resources on the history of telecommunications, the charity continues to increase the reputation of Porthcurno as an important centre for study and a valuable educational resource.

## **Trustees' report (continued)**

The trustees consider that as an educational charity PK Porthcurno satisfies the meaning of charitable purpose as defined by section 2(2) of the Charities Act. As such it considers that it has complied with the duty in section 4 of the Act having due regard to public benefit guidance published by the Charity Commission.

### **Financial Review**

In 2023/24 the group had incoming resources of £731,009. Of this total, £134,631 was provided by ACE for Supporting a Consortium of Museums in Cornwall. This funding is a major contribution to the charity's museum activities and to the costs incurred as the lead partner of the consortium.

The remainder of the charity's income is generated by: museum entrance fees £107,854, shop sales £54,135, café & catering sales £105,020, property rentals £26,236, car park income £202,927, project grants £22,679, Vodafone Foundation grant £30,000, interest and dividends £6,880 and other miscellaneous sources £40,647.

### **Reserves Policy**

The net expenditure for the period on unrestricted funds was £160,997. There was a transfer of funds from PK Contingency Investment portfolio to unrestricted general funds of £144,249, gains for sale of assets of £1,198 and a transfer of £9,110 from unrestricted to restricted funds. These amounts have been deducted from and added to the surplus balance of unrestricted general funds of £534,910 giving an accumulated surplus of £510,250 excluding amounts arising from the revaluation of fixed assets and investments.

The trustees have considered the charity's various sources of income and the risk that this could be reduced. Although the charity is not substantially dependent on donations, it is largely dependent on seasonal tourism and its location is very isolated. There is a risk that factors outside of the control of the charity could result in a substantial reduction in income one summer which would have an impact on the charity for 12 months. The trustees consider that reserves should be maintained at an amount equivalent to about 12 months' core costs plus contingency of running Eastern House, the Wilshaw Building and peripheral buildings. The target reserves are £125,000.

The trustees monitor the need for reserves and the current level of reserves at least once a year considering factors such as sources of income, risks of income reduction, anticipated costs of maintaining the charity.

### **Fundraising Policy**

The majority of the fundraising and development for PK Porthcurno is conducted by the CEO & Creative Director and the Head of Collections Engagement, plus additional input from an external fundraising company, with appropriate oversight and guidance by the board of trustees via the Investment & Fundraising Committee. Our strategic fundraising objective is to sustain and build the CIO's income to meet our long-term capital and revenue needs. The focus of our fundraising activity is on developing relationships with charitable trusts, local and central authorities, and appropriate corporate sponsors. We comply with all current fundraising legislation, seeking to keep abreast of fundraising developments to ensure best practice in all our fundraising activities.

PK Porthcurno encourages donations, both ad hoc or via appeals, through our newsletter to subscribers, website, on site donation boxes and via leaflets and posters. We do not run telephone campaigns or targeted personalised mailshots and we do not actively seek legacies from individuals unless approached by donors or their families. PK Porthcurno has not received any complaints about its fundraising practices.

## **Trustees' report (continued)**

### **Investment policy**

The Constitution permits the trustees to make such investments as they think proper. The policy is to achieve the maximum total return in terms of capital growth and income without incurring undue risks subject to any minimum income requirement agreed from time to time.

### **The Future**

The charity is currently looking at the options available for development that would enable it to be more sustainable in the future. These options include seeking to attract new sponsors and funders (specifically to fund new exhibitions and initiatives), partnering with national museums, with local government and with other local attractions with the aim of boosting visitor numbers and, also, aiming to attract new sources of grant funding to support the development (as part of new visitor offerings) of other buildings which form part of the museum's campus.

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements giving a true and fair view, the Trustee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable it to ascertain the financial position of the charity and which enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the trustees and signed on their behalf by:

Chris Fyles  
Chairman  
29 January 2025

## Independent auditor's report to the Trustees of PK Porthcurno

### Opinion

We have audited the financial statements of PK Porthcurno (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the consolidated and charity statement of financial activities, the consolidated and charity balance sheet, the consolidated 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 Financial Reporting Standard 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 group's and parent charity's affairs as at 31 March 2024, and of the group's 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 Charities Act 2011.

### 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 group and parent charity 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 group's or parent charity'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 trustees report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

## **Independent auditor's report to the Trustees of PK Porthcurno (continued)**

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.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees 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 group's and parent charity'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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which they operate. We determined that the laws and regulations that were most significant were those that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and compliance with the Charities Statement of Recommended Practice. In addition, we have considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These include: data protection regulations, health and safety regulations, safeguarding legislation, licensing acts and employment legislation. The specific procedures for this engagement and the extent to which these are



## Independent auditor's report to the Trustees of PK Porthcurno (continued)

capable of detecting irregularities, including fraud is detailed below:

- Discussion with management as to how compliance with these laws and regulations is monitored;
- Review of the disclosures in the financial statements and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustees' meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit approach also considered the opportunities and incentives that may exist within the charity for fraud and identified the greatest potential for fraud being in respect of cut off and completion risk around revenue recognition. Under ISA (UK) we are also required to undertake procedures to respond to the risk of management override of controls. Our procedures included the following:

- Undertaking transactional testing on revenue;
- Performing cut off testing;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business;
- Reviewing estimates and judgments made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Independent auditor's report to the Trustees of PK Porthcurno (continued)**

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity

trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*RRL LLP (Statutory Auditor)*

*Peat House  
Newham Road  
TRURO  
Cornwall  
TR1 2DP*

*January 2025*

*RRL LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.*

**Charity statement of financial activities incorporating an income and expenditure account for the year ended 31 March 2024**

	Note	Unrestricted funds	Restricted funds	Total	2024	2023
		£	£		£	£
<b>Income</b>						
Donations:						
- Donations	2	100,808	-	100,808		65,588
- Subscriptions & other gifts		19,627	-	19,627		17,867
Charitable activities:						
- Grants	2	134,631	52,679	187,310		215,347
- Service contracts		-	15,000	15,000		1,281
Other trading activities:						
- Museum entrance fees		107,854	-	107,854		102,331
- Gift shop income		54,135	-	54,135		51,487
- Café & catering income		104,456	-	104,456		63,459
- Other activities		3,751	-	3,751		9,736
Investments:						
- Dividends & interest received		6,880	-	6,880		8,737
- Property rentals & services		87,236	-	87,236		78,912
<b>Total income</b>		<b>619,378</b>	<b>67,679</b>	<b>687,057</b>		<b>614,745</b>
<b>Expenditure</b>						
Raising funds:						
- Cost of raising funds		28,276	-	28,276		15,830
- Cost of goods sold and other costs		87,653	-	87,653		64,555
- Investment management costs	3	3,359	-	3,359		2,460
Charitable activities:						
- Service contracts	4 & 6	-	15,000	15,000		1,281
- Other activities	4 & 6	649,485	59,373	708,858		643,931
- Depreciation & amortisation of assets		2,000	98,201	100,201		116,147
<b>Total expenditure</b>		<b>770,773</b>	<b>172,574</b>	<b>943,347</b>		<b>844,204</b>
<b>Net expenditure</b>		<b>(151,395)</b>	<b>(104,895)</b>	<b>(256,290)</b>		<b>(229,459)</b>
Transfer between funds		(9,110)	9,110	-		-
<b>Other recognised (losses)/gains:</b>						
Other gains on sale of assets		1,198	-	1,198		-
Corporation tax		2,040	-	2,040		-
Net gains/(losses) on investments		29,749	-	29,749		(15,097)
<b>Net movement in funds</b>		<b>(127,518)</b>	<b>(95,785)</b>	<b>(223,303)</b>		<b>(244,556)</b>
Reconciliation of funds:						
Total funds as at 31 March 2023		2,881,789	2,209,769	5,091,558		5,336,114
<b>Total funds as at 31 March 2024</b>		<b>2,754,271</b>	<b>2,113,984</b>	<b>4,868,255</b>		<b>5,091,558</b>

A reconciliation of the movement in funds is given in note 16. There were no discontinued operations within the charity for the year ended 31 March 2024

**Consolidated statement of financial activities incorporating an income and expenditure account for the year ended 31 March 2024**

	Note	2024 Group £	2023 Group £	2024 Charity £	2023 Charity £
<b>Income</b>					
Donations:					
- Donations	2	2,259	6,541	100,808	65,588
- Subscriptions & other gifts		19,627	17,867	19,627	17,867
Charitable activities:					
- Grants	2	187,310	215,347	187,310	215,347
- Service contracts		15,000	1,281	15,000	1,281
- Car parking		-	-	-	-
Other trading activities:					
- Museum entrance fees		107,854	102,331	107,854	102,331
- Gift shop income		54,135	51,487	54,135	51,487
- Café & catering income		105,020	63,459	104,456	63,459
- Other activities		206,688	152,863	3,751	9,736
Investments:					
- Dividends & interest received		6,880	8,737	6,880	8,737
- Property rentals & services		26,236	29,189	87,236	78,912
<b>Total income</b>		<b>731,009</b>	<b>649,102</b>	<b>687,057</b>	<b>614,745</b>
<b>Expenditure</b>					
Raising funds:					
- Cost of raising funds		30,885	16,200	28,276	15,830
- Cost of goods sold and other costs		88,526	64,555	87,653	64,555
- Investment management costs	3	3,359	2,460	3,359	2,460
- Car parking		52,112	41,392	-	-
Charitable activities:					
- Service contracts	4 & 6	15,000	1,281	15,000	1,281
- Other activities	4 & 6	708,858	643,931	708,858	643,931
- Depreciation & amortisation of assets		100,201	116,147	100,201	116,147
Other expenditure:		-	-	-	-
<b>Total expenditure</b>		<b>998,941</b>	<b>885,966</b>	<b>943,347</b>	<b>844,204</b>
<b>Net expenditure</b>		<b>(267,932)</b>	<b>(236,864)</b>	<b>(256,290)</b>	<b>(229,459)</b>
Transfer between funds		-	-	-	-
<b>Other recognised (losses)/gains:</b>					
Other gains on sale of assets		1,198	-	1,198	-
Corporation tax		2,040	-	2,040	-
Net gains/(losses) on investments		29,749	(15,097)	29,749	(15,097)
<b>Net movement in funds</b>		<b>(234,945)</b>	<b>(251,961)</b>	<b>(223,303)</b>	<b>(244,556)</b>
Reconciliation of funds:					
Total funds as at 31 March 2023		5,103,200	5,355,161	5,091,558	5,336,114
<b>Total funds as at 31 March 2024</b>		<b>4,868,255</b>	<b>5,103,200</b>	<b>4,868,255</b>	<b>5,091,558</b>

A reconciliation of the movement in funds is given in note 16. There were no discontinued operations within the charity for the year ended 31 March 2024.

Restricted income & expenditure in the above group statement of financial activities wholly relates to the charity, details of which can be found in the charity statement of financial activities.

**Charity balance sheet at 31 March 2024**

	<i>Note</i>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2024 Total Funds</b>	<b>2023 Total Funds</b>
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	8	4,333	-	4,333	6,333
Tangible assets	9	2,276,236	2,107,590	4,383,826	4,456,549
Investment property	11	235,000	-	235,000	235,000
Shares in subsidiary undertaking	10	10	-	10	10
<b>Total fixed assets</b>		<b>2,515,579</b>	<b>2,107,590</b>	<b>4,623,169</b>	<b>4,697,892</b>
<b>Current assets</b>					
Stock for resale		29,277	-	29,277	24,935
Debtors	13	59,254	1,334	60,588	55,460
Investments	11	244,021	-	244,021	358,521
Cash at bank and in hand		25,406	5,060	30,466	35,688
<b>Total current assets</b>		<b>357,958</b>	<b>6,394</b>	<b>364,352</b>	<b>474,604</b>
<b>Creditors: amounts falling due within one year</b>	14	<b>119,266</b>	<b>-</b>	<b>119,266</b>	<b>80,938</b>
<b>Net current assets</b>		<b>238,692</b>	<b>6,394</b>	<b>245,086</b>	<b>393,666</b>
<b>Total assets less current liabilities</b>		<b>2,754,271</b>	<b>2,113,984</b>	<b>4,868,255</b>	<b>5,091,558</b>
<b>Net assets</b>		<b>2,754,271</b>	<b>2,113,984</b>	<b>4,868,255</b>	<b>5,091,558</b>
<b>The funds of the charity:</b>					
Restricted funds					
- Restricted funds		-	2,113,984	2,113,984	2,209,769
Unrestricted funds:					
- Unrestricted general funds		754,261	-	754,261	881,779
- Revaluation reserve		1,500,000	-	1,500,000	1,500,000
- Land & buildings revaluation reserve		500,000	-	500,000	500,000
- Shares in subsidiary undertaking		10	-	10	10
<b>Total charity funds</b>	16	<b>2,754,271</b>	<b>2,113,984</b>	<b>4,868,255</b>	<b>5,091,558</b>

**Consolidated Balance sheet at 31 March 2024**

	<i>Note</i>	<b>2024 Group £</b>	<b>2023 Group £</b>	<b>2024 Charity £</b>	<b>2023 Charity £</b>
<b>Fixed assets</b>					
Intangible assets	8	<b>4,333</b>	6,333	<b>4,333</b>	6,333
Tangible assets	9	<b>4,383,826</b>	4,456,549	<b>4,383,826</b>	4,456,549
Investment property	11	<b>235,000</b>	235,000	<b>235,000</b>	- 235,000
Shares in subsidiary undertaking	10	-	-	<b>10</b>	10
<b>Total fixed assets</b>		<b>4,623,159</b>	4,697,882	<b>4,623,169</b>	4,697,892
<b>Current assets</b>					
Stock for resale		<b>30,509</b>	24,935	<b>29,277</b>	24,935
Debtors	13	<b>64,987</b>	56,698	<b>60,588</b>	55,460
Investments	11	<b>244,021</b>	358,521	<b>244,021</b>	358,521
Cash at bank and in hand		<b>31,451</b>	49,522	<b>30,466</b>	35,688
<b>Total current assets</b>		<b>370,968</b>	489,676	<b>364,352</b>	474,604
<b>Creditors: amounts falling due within one year</b>	14	<b>125,872</b>	84,358	<b>119,266</b>	80,938
<b>Net current assets</b>		<b>245,096</b>	405,318	<b>245,086</b>	393,666
<b>Total assets less current liabilities</b>		<b>4,868,255</b>	5,103,200	<b>4,868,255</b>	5,091,558
<b>Net assets</b>		<b>4,868,255</b>	5,103,200	<b>4,868,255</b>	5,091,558
<b>The funds of the charity:</b>					
Restricted funds					
- Restricted funds		<b>2,113,984</b>	2,209,769	<b>2,113,984</b>	2,209,769
Unrestricted funds:					
- Unrestricted general funds		<b>754,271</b>	893,431	<b>754,261</b>	881,779
- Revaluation reserve		<b>1,500,000</b>	1,500,000	<b>1,500,000</b>	1,500,000
- Land & buildings revaluation reserve		<b>500,000</b>	500,000	<b>500,000</b>	500,000
- Shares in subsidiary undertaking		-	-	<b>10</b>	10
<b>Total charity funds</b>	16	<b>4,868,255</b>	5,103,200	<b>4,868,255</b>	5,091,558

The notes on pages 23 to 37 form part of these financial statements.

These financial statements were approved by the trustees on 29 January 2025 and were signed on its behalf by:

Chairman  
Chris Fyles

**Consolidated statement of cash flows for the year ended 31 March 2024**

	Note	2024 Group £	2023 Group £	2024 Charity £	2023 Charity £
<b>Cash flows from operating activities:</b>					
- Net cash used in operating activities	1	<u>(167,797)</u>	<u>(91,061)</u>	<u>(215,948)</u>	<u>(140,459)</u>
<b>Cash flows from investing activities:</b>					
- Dividends, interest and rents from investments		29,757	35,466	90,757	85,189
- Proceeds from the sale of property, plant and equipment		1,198	-	1,198	-
- Purchase of property, plant and equipment		(25,478)	(29,434)	(25,478)	(29,434)
- Proceeds from sale of investments		215,268	94,218	215,268	94,218
- Purchase of investments		(71,019)	(13,449)	(71,019)	(13,449)
<b>Net cash used on investing activities</b>		<u>149,726</u>	<u>86,801</u>	<u>210,726</u>	<u>136,524</u>
Change in cash and cash equivalents in the reporting		(18,071)	(4,260)	(5,222)	(3,935)
Cash and cash equivalents as at 31 March 2023		<u>49,522</u>	<u>53,782</u>	<u>35,688</u>	<u>39,623</u>
<b>Cash and cash equivalents at the end of the reporting</b>	2	<u><u>31,451</u></u>	<u><u>49,522</u></u>	<u><u>30,466</u></u>	<u><u>35,688</u></u>

**Notes to the Statement of cash flows****Note 1 - Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2024 £	2023 £	2024 £	2023 £
<b>Net income/(expenditure) for the period ended 31 March 2024</b>	<b>(267,932)</b>	<b>(236,864)</b>	<b>(256,290)</b>	<b>(229,459)</b>
Adjustments for:				
- Depreciation and amortisation charges	100,201	116,147	100,201	116,147
- Dividends, interest and rents from investments	(29,757)	(35,466)	(90,757)	(85,189)
- Increase in stocks	(5,574)	(2,784)	(4,342)	(2,784)
- (Increase)/Decrease in debtors	(8,289)	26,412	(5,128)	20,738
- Increase in creditors	41,514	41,494	38,328	40,088
- Provision for corporation tax	2,040	-	2,040	-
<b>Net cash used in operating activities</b>	<u><b>(167,797)</b></u>	<u><b>(91,061)</b></u>	<u><b>(215,948)</b></u>	<u><b>(140,459)</b></u>

**Note 2 - Analysis of cash and cash equivalents**

	2024 £	2023 £	2024 £	2023 £	Change in period £
Cash in hand	<u>31,451</u>	<u>49,522</u>	<u>30,466</u>	<u>35,688</u>	<u>(18,071)</u>
<b>Total cash and cash equivalents</b>	<u><b>31,451</b></u>	<u><b>49,522</b></u>	<u><b>30,466</b></u>	<u><b>35,688</b></u>	<u><b>(18,071)</b></u>

Balances held by the charity that are not available for use by the charity

During the year, the charity received funds of £487,161 (2023: £nil) on behalf of other delivery partners within the supporting a consortium of museums in Cornwall project. The Charity paid £480,198 (2023: £nil) of these funds to the delivery partners before the year end. The balance of funds held as agent at the year end was £6,963 (2023: £nil).

## **Notes (forming part of the financial statements)**

### **1 Summary of significant accounting policies**

#### **(a) General information and basis of preparation**

PK Porthcurno is a charitable incorporated organisation registered in England and Wales. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are preserving the important historic buildings and collections relating to the telegraph station at Porthcurno. It educates the general public about the history of the telegraph station and provides internationally significant archive and research resources for study of the history of international telecommunications.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **(b) Funds**

Unrestricted funds 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 are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.



### **(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of a revenue grant from Cornwall Council of £11,000. Details of other government assistance received during the period are included within note 2. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

**(c) Income recognition (continued)**

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

**(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds comprise the costs of commercial trading including gift shop and café and their associated costs;
- Expenditure on charitable activities includes the costs of maintaining the collections, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated costs; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 6.

**(f) Intangible fixed assets**

Goodwill represents the excess cost of acquisition of unincorporated businesses over fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill shall be considered to have a finite useful life and shall be amortised on a systemic basis over its life of 5 years.

**(g) Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

**(f) Tangible fixed assets (continued)**

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold land	Nil
Freehold buildings	50 years
Museum refurbishment	20 years
Permanent exhibitions	20 years
Car park and landscaping	15 – 20 years
Fixtures and fittings	5 – 10 years

The original value of the land and property assets has not been included in the balance sheet as the property is heritage property and the charity is not permitted to sell it on the open market.

**(g) Heritage assets**

Heritage assets are recognised on the balance sheet and initially measured at cost when purchased or if donated, their valuation. Assets are subsequently stated at cost or valuation less accumulated depreciation and accumulated impairment losses. Fair values for donated assets are estimated by reference to market prices.

Where information on the cost or valuation of heritage assets is not available or the cost of providing such information significantly outweighs any benefit to the users of the accounts then heritage assets are not recognised on the balance sheet.

Acquisitions only arise when donated to the charity or if it is believed that they will further the charity's objectives. Once acquired they will be preserved by the charity in order to keep their historical, artistic, scientific, technological, geophysical or environmental qualities to such a high level as to contribute to knowledge and culture. A register of all assets held by the charity is available and the assets themselves are accessible to the public with prior agreement. Heritage assets are to be held for the foreseeable future.

Endowment funds represent those assets which must be held permanently by the charity, principally the original World War II communication centre, known as "the tunnels", built in the hillside of Porthcurno in the 1940's, access, car parking area and a collection of historic telecommunications equipment.

**(h) Investment properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.

**(i) Investments**

Investments in subsidiaries are measured at cost less impairment.

**(k) Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first in, first out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

**(l) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(m) Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

**(n) Concessionary loans**

Concessionary loans include those payable to a third party which are interest free or below market interest rates and are made to advance charitable purposes.

**(o) Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised.

**(p) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**(q) Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

**(r) Foreign currency**

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

**(s) Employee benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**(t) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**(u) Judgements and key sources of estimation uncertainty**

In the 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 association 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 only affects that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**(v) Group financial statements**

The financial statements consolidate the results of the charity and its wholly owned subsidiary Porthcurno Enterprises Limited on a line-by-line basis. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

**(w) Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the statement of financial activities if the shares are publicly traded or their fair value can otherwise be measured reliably.

For quoted shares, the fair value is deemed to be the quoted bid price as at the balance sheet date. Investments in subsidiaries are measured at cost less impairment.

**2 Donations and grants**

	2024	2023
	£	£
<b>Restricted funds:</b>		
Vodafone Foundation	30,000	120,000
Cornwall Council	10,000	11,000
Clore Challenge & Opportunity Fund	6,500	-
Mobile Phone Museum	5,000	-
St Levan Methodist Charitable Trust	845	7,597
Grants from various sources	334	2,250
Arts Council of England	-	58,000
GCHQ	-	7,500
The National Archives	-	5,500
Royal Society	-	3,500
	<u>52,679</u>	<u>215,347</u>

Included with unrestricted grants is the following grants:

- Arts Council England - grants have been received totalling £134,631 (2023: £nil) for Supporting a Consortium of Museums in Cornwall.

**3 Investment management costs**

	2024	2023
	£	£
Other expenses	<u>3,359</u>	<u>2,460</u>
	<u>3,359</u>	<u>2,460</u>

**4 Support and governance costs**

	2024	2023
	£	£
Support staff costs	72,958	53,897
Premises and running expenses including staff costs	568,527	357,330
Audit and accountancy	<u>8,000</u>	<u>7,300</u>
	<u>649,485</u>	<u>418,527</u>

**5 Staff costs**

	<b>2024</b>	2023
	<b>£</b>	£
Salaries and wages	<b>460,438</b>	409,658
Social Security	<b>25,940</b>	22,849
Pensions	<b>10,109</b>	10,333
	<b><u>496,487</u></b>	<u>442,840</u>
Average monthly headcount was	<b><u>34.0</u></b>	<u>33.0</u>

Included in salaries and wages above are redundancy costs totalling £21,886 (2023:£nil)

Trustees are not remunerated. A total of £25 was reimbursed or paid on behalf of directly incurred travel, accommodation and subsistence expenses to 1 trustee (2023 - £793 - 3 trustees) who travel to meetings from outside the area.

The charity operated an auto-enrolment compliant pension scheme in line with the current legislation.

The key management personnel of the charity comprise the Creative Director & CEO, Head of Finance & Resources, Head of Collections & Engagement, Head of Visitor Services & Operations to May 2023, Head of Commercial & Visitor Services from Jan 2024 and Head of Site Operations & Facilities from Jan 2024. The total employee benefits of the key management personnel of the charity were £164,518 (2023: £172,287) for year.

CEO & Creative Director has use of accommodation in Mercury House as part of the terms of her employment contract.

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 during the year was:-

	<b>2024</b>	2023
£60,000 - £70,000	<u>-</u>	<u>-</u>

**6 Charitable expenditure**

Activity	Funded expenditure	Support and governance costs (see 1(e))	Total 2024	Total 2023
	£	£	£	£
Archive & Museum	<b>30,719</b>	<b>308,431</b>	<b>339,150</b>	346,949
Gift shop and café	-	<b>128,118</b>	<b>128,118</b>	116,974
Learning & participation	<b>24,743</b>	<b>212,936</b>	<b>237,679</b>	146,597
Maintenance	<b>18,911</b>	-	<b>18,911</b>	34,692
	<b><u>74,373</u></b>	<b><u>649,485</u></b>	<b><u>723,858</u></b>	<u>645,212</u>

**7 Taxation**

PK Porthcurno is a registered charity and the results of its normal activities are not liable to Corporation Tax. Activities which are not primary purpose trades are within the statutory limits prescribed by the statutory exemption for small

**8 Intangible fixed assets**

	<b>Goodwill Exiles Club</b>	<b>Goodwill Telegraph Cottage</b>	<b>Total</b>
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 31 March 2023	20,000	10,000	30,000
Additions	-	-	-
Disposal	-	-	-
<b>At 31 March 2024</b>	<b>20,000</b>	<b>10,000</b>	<b>30,000</b>
<b>Amortisation</b>			
At 31 March 2023	20,000	3,667	23,667
Charge for period	-	2,000	2,000
Amortisation on disposal	-	-	-
<b>At 31 March 2024</b>	<b>20,000</b>	<b>5,667</b>	<b>25,667</b>
<b>Net book value</b>			
<b>At 31 March 2024</b>	<b>-</b>	<b>4,333</b>	<b>4,333</b>
At 31 March 2023	-	6,333	6,333

**9 Tangible fixed assets**

	<b>Freehold land &amp; buildings</b>	<b>Permanent exhibitions</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Total</b>
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 31 March 2023	5,439,696	764,290	283,560	6,487,546
Additions	-	2,650	22,828	25,478
Disposal	-	-	(3,069)	(3,069)
<b>At 31 March 2024</b>	<b>5,439,696</b>	<b>766,940</b>	<b>303,319</b>	<b>6,509,955</b>
<b>Depreciation</b>				
At 31 March 2023	1,484,798	296,191	250,008	2,030,997
Charge for period	48,912	38,235	11,054	98,201
Depn on disposal	-	-	(3,069)	(3,069)
<b>At 31 March 2024</b>	<b>1,533,710</b>	<b>334,426</b>	<b>257,993</b>	<b>2,126,129</b>
<b>Net book value</b>				
<b>At 31 March 2024</b>	<b>3,905,986</b>	<b>432,514</b>	<b>45,326</b>	<b>4,383,826</b>
At 31 March 2023	3,954,898	468,099	33,552	4,456,549



The predecessor charity was gifted various property in the Porthcurno valley by Cable & Wireless Plc. The trustees decided to recognise the value of certain buildings to the charity. Other land included in the conveyance has not been valued because of its unsuitability for sale on the open market, being mainly scrub and hillside land. Some interest has been expressed by local residents to acquire parcels of the land adjacent to residential property and the trustees will consider these on a case by case basis.

In October 2020, the former Superintendent's house, Mercury House, was valued by a local surveyor. It had been recognised in the accounts at a value of £880,000 but following that valuation, is now recognised at a value of £500,000.

Only the specific refurbishment of freehold property has been depreciated. This is because the estimated residual value of land and buildings is not considered to be materially different to the carrying value of the assets. Therefore, any depreciation charge would also be immaterial. This situation will be reviewed annually.

The fixtures and fittings include many small items of equipment which have been fully depreciated but are still in use within the charity.

If the freehold land and buildings had not been included at deemed costs, they would have been included under the historical cost convention as follows:

	2024	2023
	£	£
Cost	3,939,695	3,939,695
Accumulated depreciation	(1,533,710)	(1,484,798)
Net book value	<u>2,405,985</u>	<u>2,454,897</u>

A legal charge over the freehold property had been given to the National Heritage Memorial Fund to secure the repayment of a grant should it become repayable.

## 10 Shares in subsidiary undertaking

	Issued Share Capital	Ownership
Porthcurno Enterprises Limited	£10	100%
	<u>£10</u>	<u>100%</u>

The company is incorporated in England and Wales and its area of operation is the United Kingdom. The company's business is that of a charity trading company operating the car parks and public conveniences.

The profit before tax for the period ended 31 March 2024 was £86,907 (2023: £51,642) and the value of the equity and reserves at 31 March 2024 was £10 (2023: £11,652).

## 11 Investments

	Investment Property	Investment Portfolio	Total
	£	£	£
<b>At 1 April 2023</b>	235,000	358,521	593,521
Additions at cost	-	71,019	71,019
Disposals	-	(215,268)	(215,268)
Revaluation	-	29,749	29,749
	<u>-</u>	<u>29,749</u>	<u>29,749</u>
<b>At 31 March 2024</b>	<b><u>235,000</u></b>	<b><u>244,021</u></b>	<b><u>479,021</u></b>

The investment property was purchased in June 2021. The trustees do not believe its valuation has materially altered since this date.

The cost of the above investment portfolio as at 31 March 2024 was £233,271 (2023:£384,589)

**12 Heritage property not recognised in the balance sheet**

The charity owns the original World War II communication centre, known as “the tunnels”, built in the hillside of Porthcurno in the 1940s. This property along with access, car parking area and a collection of historic telecommunications equipment, was gifted to the charity by The Eastern Telegraph Company Limited, a subsidiary of Cable & Wireless Plc.

There have been no acquisitions or disposals of heritage assets during the last five years.

The current insurance value for “the tunnels” is £1,850,000 on a replacement basis. The collection is insured to a value of £500,000 again on an estimated replacement basis, albeit that many of the items would now be irreplaceable.

<b>13 Debtors</b>	<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	-	18,304	-	11,697
Amounts owed by group undertakings	-	-	7,113	9,052
Other debtors	17,602	12,695	17,474	9,381
Prepayments and accrued income	47,385	25,699	36,001	25,330
	<u>64,987</u>	<u>56,698</u>	<u>60,588</u>	<u>55,460</u>
<b>14 Creditors: amounts falling due within one year</b>	<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	33,403	29,408	31,996	28,655
Other creditors including taxation	21,686	11,925	21,553	11,075
Accruals	61,349	32,611	56,283	30,794
Deferred income (see below)	9,434	10,414	9,434	10,414
	<u>125,872</u>	<u>84,358</u>	<u>119,266</u>	<u>80,938</u>

**15 Deferred income**

Deferred income comprises the 5-year and 10-year permission to use licences, income ring-fenced for future projects and land rental.

	<b>Group</b>	<b>Group</b>	<b>Charity</b>	<b>Charity</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance as at 1 April 2023	10,414	4,065	10,414	4,065
Amount released to income earned from charitable activities	(2,029)	(962)	(2,029)	(962)
Amount deferred in year	1,049	7,311	1,049	7,311
Balance as at 31 March 2024	<u>9,434</u>	<u>10,414</u>	<u>9,434</u>	<u>10,414</u>

**16 Analysis of charitable funds - year ended 31 March 2024 - Group**

	<b>At 31 March 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Gains and losses</b>	<b>At 31 March 2024</b>
	£	£	£			£
Restricted funds						
- Heritage Lottery Fund	991,900	-	40,748	-	-	<b>951,152</b>
- Vodafone Foundation	-	30,000	30,000	-	-	-
- Cornwall Council Culture Team	108,326	-	4,450	-	-	<b>103,876</b>
- DCMS/Wolfson Fund	258,525	-	13,175	-	-	<b>245,350</b>
- Clore Duffield Foundation	90,274	-	3,708	-	-	<b>86,566</b>
- Wilshaw Benevolent Trust	216,653	-	8,900	-	-	<b>207,753</b>
- Other funds	544,091	37,679	71,593	9,110	-	<b>519,287</b>
- Total restricted income funds	<u>2,209,769</u>	<u>67,679</u>	<u>172,574</u>	<u>9,110</u>	<u>-</u>	<u><b>2,113,984</b></u>
Unrestricted funds:						
- Unrestricted general funds	534,910	665,370	826,367	135,139	1,198	<b>510,250</b>
- PK Contingency Investment portfolio	358,521	-	-	(144,249)	29,749	<b>244,021</b>
- Revaluation reserve	1,500,000	-	-	-	-	<b>1,500,000</b>
- Investment property revaluation reserve	500,000	-	-	-	-	<b>500,000</b>
- Total unrestricted funds	<u>2,893,431</u>	<u>665,370</u>	<u>826,367</u>	<u>(9,110)</u>	<u>30,947</u>	<u><b>2,754,271</b></u>
	<u>5,103,200</u>	<u>733,049</u>	<u>998,941</u>	<u>-</u>	<u>30,947</u>	<u><b>4,868,255</b></u>

**Analysis of charitable funds - period ended 31 March 2024 - Charity only**

	<b>At 31 March 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Gains and losses</b>	<b>At 31 March 2024</b>
	£	£	£			£
Restricted funds						
- Heritage Lottery Fund	991,900	-	40,748	-	-	<b>951,152</b>
- Vodafone Foundation	-	30,000	30,000	-	-	-
- Cornwall Council Culture Team	108,326	-	4,450	-	-	<b>103,876</b>
- DCMS/Wolfson Fund	258,525	-	13,175	-	-	<b>245,350</b>
- Clore Duffield Foundation	90,274	-	3,708	-	-	<b>86,566</b>
- Wilshaw Benevolent Trust	216,653	-	8,900	-	-	<b>207,753</b>
- Other funds	544,091	37,679	71,593	9,110	-	<b>519,287</b>
- Total restricted income funds	<u>2,209,769</u>	<u>67,679</u>	<u>172,574</u>	<u>9,110</u>	<u>-</u>	<u><b>2,113,984</b></u>
Unrestricted funds:						
- Unrestricted general funds	523,258	621,418	770,773	135,139	1,198	<b>510,240</b>
- PK Contingency Investment portfolio	358,521	-	-	(144,249)	29,749	<b>244,021</b>
- Revaluation reserve	1,500,000	-	-	-	-	<b>1,500,000</b>
- Investment property revaluation reserve	500,000	-	-	-	-	<b>500,000</b>
- Shares in subsidiary undertaking	10	-	-	-	-	<b>10</b>
- Total unrestricted funds	<u>2,881,789</u>	<u>621,418</u>	<u>770,773</u>	<u>(9,110)</u>	<u>30,947</u>	<u><b>2,754,271</b></u>
	<u>5,091,558</u>	<u>689,097</u>	<u>943,347</u>	<u>-</u>	<u>30,947</u>	<u><b>4,868,255</b></u>

**16 Analysis of charitable funds - year ended 31 March 2023 - Group**

	<b>At 31 March 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Gains and losses</b>	<b>At 31 March 2023</b>
Restricted funds	£	£	£			£
- Heritage Lottery Fund	1,032,648	-	40,748	-	-	991,900
- Vodafone Foundation	-	120,000	120,000	-	-	-
- Cornwall Council Culture Team	112,776	-	4,450	-	-	108,326
- DCMS/Wolfson Fund	271,700	-	13,175	-	-	258,525
- Clore Duffield Foundation	93,982	-	3,708	-	-	90,274
- Wilshaw Benevolent Trust	225,553	-	8,900	-	-	216,653
- Other funds	581,928	95,347	133,184	-	-	544,091
- Total restricted income funds	<u>2,318,587</u>	<u>215,347</u>	<u>324,165</u>	<u>-</u>	<u>-</u>	<u>2,209,769</u>
Unrestricted funds:						
- Unrestricted general funds	727,787	433,755	561,801	(64,831)	-	534,910
- PK Contingency Investment portfolio	308,787	-	-	64,831	(15,097)	358,521
- Revaluation reserve	1,500,000	-	-	-	-	1,500,000
- Investment property revaluation reserve	500,000	-	-	-	-	500,000
- Total unrestricted funds	<u>3,036,574</u>	<u>433,755</u>	<u>561,801</u>	<u>-</u>	<u>(15,097)</u>	<u>2,893,431</u>
	<u>5,355,161</u>	<u>649,102</u>	<u>885,966</u>	<u>-</u>	<u>(15,097)</u>	<u>5,103,200</u>

**16 Analysis of charitable funds - period ended 31 March 2023 - Charity only**

	<b>At 31 March 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers</b>	<b>Gains and losses</b>	<b>At 31 March 2023</b>
Restricted funds	£	£	£			£
- Heritage Lottery Fund	1,032,648	-	40,748	-	-	991,900
- Vodafone Foundation	-	120,000	120,000	-	-	-
- Cornwall Council Culture Team	112,776	-	4,450	-	-	108,326
- DCMS/Wolfson Fund	271,700	-	13,175	-	-	258,525
- Clore Duffield Foundation	93,982	-	3,708	-	-	90,274
- Wilshaw Benevolent Trust	225,553	-	8,900	-	-	216,653
- Other funds	581,928	95,347	133,184	-	-	544,091
- Total restricted income funds	<u>2,318,587</u>	<u>215,347</u>	<u>324,165</u>	<u>-</u>	<u>-</u>	<u>2,209,769</u>
Unrestricted funds:						
- Unrestricted general funds	708,730	399,398	520,039	(64,831)	-	523,258
- PK Contingency Investment portfolio	308,787	-	-	64,831	(15,097)	358,521
- Revaluation reserve	1,500,000	-	-	-	-	1,500,000
- Investment property revaluation reserve	500,000	-	-	-	-	500,000
- Shares in subsidiary undertaking	10	-	-	-	-	10
- Total unrestricted funds	<u>3,017,527</u>	<u>399,398</u>	<u>520,039</u>	<u>-</u>	<u>(15,097)</u>	<u>2,881,789</u>
	<u>5,336,114</u>	<u>614,745</u>	<u>844,204</u>	<u>-</u>	<u>(15,097)</u>	<u>5,091,558</u>

All restricted funds are raised and given for specific purposes and projects and are output related. These outputs incorporate fees, consultancies, project spend and implementation work. The conditions governing the income or grants restrict these funds and costs are allocated against the funded element available. Excess expenditure on such projects is met from unrestricted funds.

The charity's unrestricted funds can be used, with the approval of the trustees, to fund any expenditure relating to projects or general running costs which fall within the charity's general aims and objectives.

The restricted funds represent the residue of the initial grants and other funding received to finance the redevelopment of the museum and refurbish the heritage property and grounds donated as a permanent endowment.

## 17 Lease commitments

Total commitments under non-cancellable operating leases are as follows:

	Other	
	2024	2023
	£	£
Expiry date:		
- Within one year	42,544	27,620
- Between two and five years	42,480	31,723
	<u>85,024</u>	<u>59,343</u>

## 18 Related party transactions

CEO & Creative Director has use of accommodation in Mercury House as part of the terms of her employment contract.

Transactions totalling £100 took place during the year in relation to the provision of accommodation at her own property to a visiting consultant as the organisation's accommodation was unavailable.

Spouse of the CEO & Creative Director. Transactions totalling £5,809 (2023: £2,985) took place during the year in relation to exhibition research and curation and some employment. There were nil amounts outstanding as at 31 March 2024 (2023: £nil).

Three children of the CEO & Creative Director. Transactions totalling £42,172 (2023: £24,149) relating to employment (including employer's pension contributions and expenses) took place during the year. There were nil amounts outstanding as at 31 March 2024 (2023: £nil).

*Porthcurno Enterprises Ltd* - wholly owned subsidiary of the charity. As at 31 March 2024 the company owed £7,113 to the CIO (2023: £9,052).

## 19 Auditors' Liability Limitation Agreement

For the year ended 31 March 2024, the charity entered into a liability limitation agreement with its auditors, the principal terms of which limit the liability of the auditors to £5,000,000 in relation to their responsibilities as auditors of the charity. The date this was agreed by the charity was 29 January 2025.